Asheville Regional Housing Consortium
Housing Market and Needs Assessment

Prepared for

Asheville Regional Housing Consortium

by

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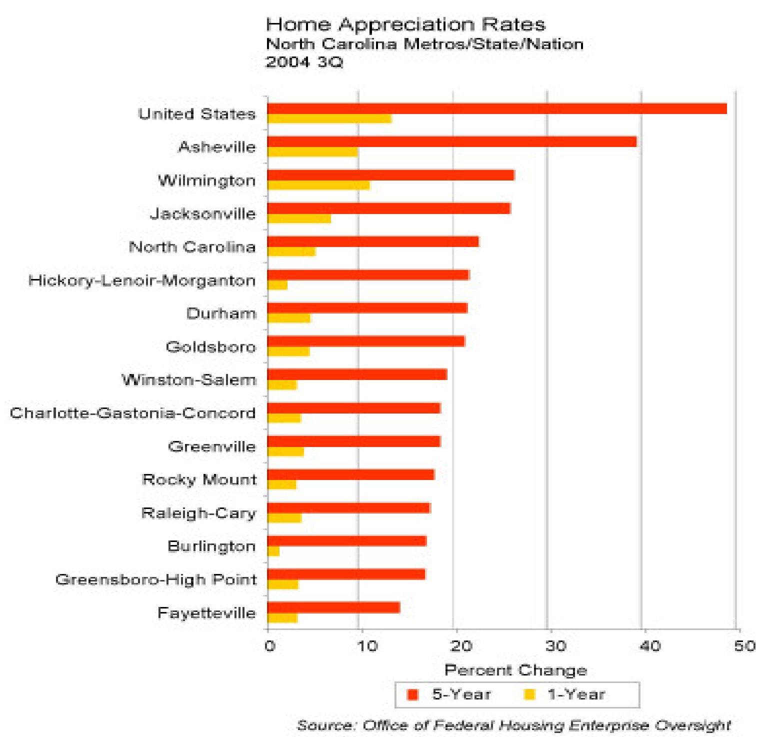
Executive Summary

The Asheville Regional Housing Consortium area, consisting of Asheville and Buncombe, Henderson, Madison and Transylvania counties, has varied and significant housing problems. Most relate to housing affordability.

The region enjoys a strong and growing economy with unemployment rates consistently below those of the state and the U.S. However, the nature of the economy is shifting with continuing losses in manufacturing jobs replaced by lower-paid jobs in service and other industries. The region's dependence on tourism and service jobs limits the incomes of many of its households, particularly those with a single earner.

The region is a recognized tourism center and a retirement location of growing popularity. Five percent of the housing stock (8,334 units) is held as second homes for occasional use by residents of other regions. The price competition from retirees and second-home buyers, coupled with the high land and construction costs related to the region's mountainous terrain, has led to high housing prices and rents. In fact, successive studies have demonstrated that the Asheville Metropolitan Statistical Area (Buncombe and Madison Counties) has the most expensive housing of any MSA in the state, both in absolute terms and relative to median incomes[1]. House prices continue to increase more rapidly in the Asheville area than elsewhere in the state. Additionally, prices in Henderson and Transylvania counties are similarly high.



[1] National Association of Home Builders Housing Opportunity Index, 2002 & 2004; Coldwell Banker Housing price survey 2002.

Rents in the Asheville MSA are also high relative to incomes, although not the highest in the state. Reflecting current rent levels, the U.S. Department of Housing and Urban Development (HUD) has established Fair Market Rents (FMRs) as follows for the Consortium area:
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2005 Fair Market Rents

Unit Type	Asheville Metro Area*	Henderson County	Transylvania County
Efficiency	$460	$371	$320
One Bedroom	$537	$457	$445
Two Bedrooms	$600	$572	$493
Three Bedrooms	$816	$754	$622
Four Bedrooms	$1054	$838	$656

*Buncombe and Madison Counties

Comparable data for other MSA's shows that Asheville's Fair Market Rents are above average for the state.

Fair Market Rents by Metropolitan Statistical Area

Location	*Zero Bedroom FMR*	*One Bedroom FMR*	*Two Bedroom FMR*	*Three Bedroom FMR*	*Four Bedroom FMR*
North Carolina	$485	$546	$623	$813	$905
Raleigh--Durham--Chapel Hill	$574	$701	$779	$995	$1,076
Charlotte--Gastonia--Rock Hill	$597	$647	$719	$913	$1,000
Wilmington	$496	$553	$673	$951	$979
Greensboro--Winston-Salem--High Point	$501	$558	$627	$834	$902
Asheville	**$460**	**$537**	**$600**	**$816**	**$1,054**
Fayetteville	$476	$509	$574	$820	$965
Rocky Mount	$366	$441	$562	$698	$719
Greenville	$420	$439	$545	$790	$815
Jacksonville	$432	$463	$520	$730	$857
Hickory--Morganton--Lenoir	$427	$449	$516	$662	$771
Goldsboro	$366	$434	$508	$636	$850

Affording the Asheville area FMR for a two-bedroom unit requires a wage of $11.54 per hour for a single earner working 40 hours per week. Many important jobs pay much less than $11.54 per hour, including:

Occupation	Average Wage
Cashiers	$7.52
Home Health Aides	$8.66
Nursing Aides	$9.13
Pre-school Teachers	$9.75
Security Guards	$9.77
Pharmacy Technicians	$10.12
Cooks, Restaurants	$10.25
Office Clerks	$11.05

A worker earning minimum wage would need to work 90 hours per week to afford that same two-bedroom unit. While many single persons and single parents work two or more jobs to be able to afford housing, most low-income households end up paying more than they can afford for housing.

HUD defines three categories of low-income households adjusted for household size:

- Extremely-low-income households with incomes equal to 30 percent or less of the Area Median Family Income (AMI)
- Very-low-income households with incomes of 31 to 50 percent of AMI
- Low-income households with incomes of 51 to 80 percent of AMI.

The tables below show what rent or house price a three-person family at the upper end of each of these income ranges can afford in the Asheville metro area, with no more than 30 percent of their gross income going towards housing costs. The median sale price for a three-bedroom house is 30 percent above the maximum price a low-income household can afford, and more than double of what a very-low-income household can afford.

Gap Between Market and Affordable Rents for a Three-Person Household

	Extremely-Low-Income Households	Very-Low-Income Households	Low-Income Households
Maximum Income	$13,400	$22,400	$35,800
Maximum Affordable Gross Rent	$335	$559	$895
Fair Market Rent			
Two Bedrooms	$600	$600	$600
Three Bedrooms	$816	$816	$816
FMR as Percent of Maximum Affordable Rent			
Two Bedrooms	179%	107%	67%
Three Bedrooms	243%	146%	91%

Gap Between Market and Affordable Sales Prices for a Three-Person Household

	Extremely-Low-Income Households	Very-Low-Income Households	Low-Income Households
Maximum Income	$13,400	$22,400	$35,800
Maximum Housing Price*	$48,927	$81,606	$130,715
Median Sale Price			
Three Bedrooms	$170,000	$170,000	$170,000
Median Sale Price as Percent of Maximum Affordable Price	347%	208%	130%

*Assumes a 10-percent downpayment, a 6.5-percent mortgage interest rate and a 0.25-percent private mortgage insurance premium.

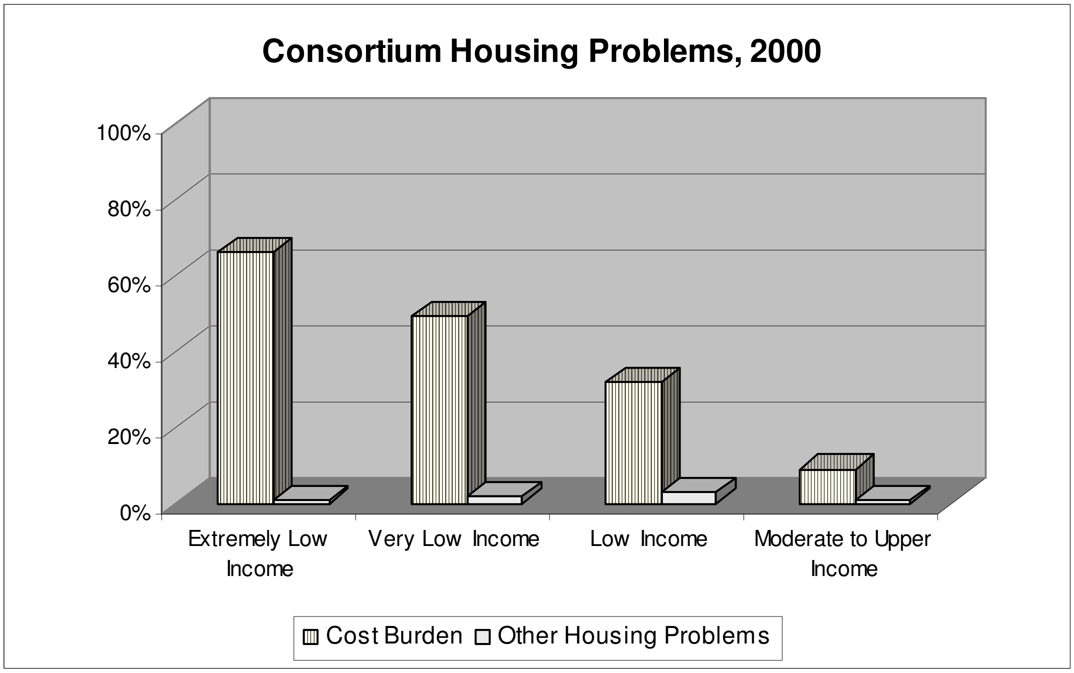
The significant gap between market rent/price levels and affordable levels is also evidenced by "housing problem" data from the 2000 U.S. Census. Shown in HUD Table 1 on the following page, 67 percent of Consortium area's extremely-low-income households reported housing problems, almost all with cost burdens of 30 percent or more. This includes 7,230 households (53 percent of the income group) with severe cost burdens, paying one-half or more of their income for housing. Other housing problems include overcrowding and units with physical defects, primarily lacking complete plumbing facilities. Though at a lesser rate than extremely-low-income households, 7,950 or 51 percent of very-low-income households had housing problems, including 23 percent with severe cost burdens. Thirty-five percent of low-income households had housing problems, including 9 percent spending half or more of their income for housing. In general, renters have more housing problems than homeowners, but this is not always true in the extremely-low-income group. The above percentages for the Consortium area are almost identical to state trends for all income levels.

(HUD Table 1): Housing Assistance Needs of Asheville Regional Housing Consortium, 2000

Households by ~~Type, Income, and Housing Problem~~	Renters: Elderly Households	Renters: Small Related (2 to 4)	Renters: Large Related (5 or more)	Renters: All Other Households	Renters: Total Renters	Owners: Elderly	Owners: All Other Owners	Owners: Total Owners	Total Housholds
Extremely Low & Very Low Income	**3,487**	**4,617**	**775**	**5,158**	**14,037**	**9,022**	**7,278**	**16,306**	**30,343**
Extremely Low Income (0% to 30% AMI)	**2,020**	**2,532**	**343**	**2,762**	**7,657**	**3,931**	**3,155**	**7,092**	**14,749**
Percent with any Housing Problems	53%	74%	76%	68%	66%	66%	71%	68%	67%
Percent with Cost Burden > 30%	52%	72%	69%	67%	65%	65%	69%	67%	66%
Percent with Cost Burden > 50%	36%	61%	53%	59%	53%	37%	55%	45%	49%
Very Low Income (31% to 50% AMI)	**1,467**	**2,085**	**432**	**2,396**	**6,380**	**5,091**	**4,123**	**9,214**	**15,594**
Percent with any Housing Problems	48%	64%	79%	70%	64%	30%	57%	42%	51%
Percent with Cost Burden > 30%	48%	61%	50%	70%	60%	30%	55%	41%	49%
Percent with Cost Burden > 50%	24%	17%	3%	35%	24%	14%	32%	22%	23%
Low Income (51% to 80% AMI)	**1,216**	**3,206**	**531**	**3,255**	**8,208**	**7,096**	**10,350**	**17,446**	**25,654**
Percent with any Housing Problems	37%	30%	60%	37%	36%	19%	46%	35%	35%
Percent with Cost Burden > 30%	37%	25%	16%	36%	30%	19%	43%	33%	32%
Percent with Cost Burden > 50%	5%	3%	1%	3%	3%	9%	14%	12%	9%
Moderate to Upper Income (80% and greater AMI)	**2,039**	**6,972**	**1,029**	**5,553**	**15,593**	**19,161**	**52,686**	**71,847**	**87,440**
Percent with any Housing Problems	18%	5%	34%	6%	9%	8%	12%	11%	10%
Percent with Cost Burden > 30%	17%	2%	0%	5%	5%	7%	10%	9%	9%
Percent with Cost Burden > 50%	7%	0%	0%	0%	1%	1%	2%	2%	1%
Total Households[1]	**6,742**	**14,795**	**2,335**	**13,966**	**37,838**	**35,279**	**70,314**	**105,599**	**143,437**
Percent with any Housing Problems	38%	31%	54%	37%	36%	20%	22%	21%	25%

Note: [1]Includes all income groups - including those above 80% of AMI.

Source: Comprehensive Housing Affordability Strategy Datebook; Bay Area Economics, 2004



Source: Comprehensive Housing Affordability Strategy Datebook; Bay Area Economics, 2004

Defining the need for assisted housing based on housing problems and cost burdens would suggest a need for the following number of units at rents/prices affordable at the three income levels.

Unmet Need for Affordable Units

	Extremely-Low-Income Households	Very-Low-Income Households	Low-Income Households	Total
Rental Units				
For Households with Housing Problems	5,050	4,080	2,950	12,080
For Households with Severe Cost Burdens	4,060	1,530	250	5,840
Owners				
For Households with Housing Problems	4,820	3,870	6,110	14,800
For Households with Severe Cost Burdens	3,190	2,030	2,090	7,310

Minority Housing Needs

Minorities in the Consortium region face significantly worse housing problems than white households. They are disproportionately represented in the lower-income categories compared with their share of the population. They also face cost burdens and other housing problems in disproportionate numbers. Furthermore, these problems have increased since 1990, relative to the majority white population. While the number of minority homeowners has shown a modest increase in the last 10 years, their homeownership rate has significantly decreased from 58.2 percent in 1990 to 44.9 percent in 2000.

Special Needs Populations

Beyond the general need for affordable housing, some populations have special needs for specialized housing and/or supportive services, focused on four groups:

- Elderly
- Frail elderly
- Persons with physical disabilities
- Persons with mental disabilities

The region's supply of assisted housing addresses these needs but falls short, leaving significant unmet needs.

Barriers to Affordable Housing

Among the barriers to addressing affordable housing needs in the Consortium area are:

- High land and construction costs related to topography and the limited supply of developable land;
- Lack of public water and sewer service to developable sites in the four counties;
- Lack of vacant developable land in the city of Asheville;
- The high per-unit cost of making rental housing affordable for extremely-low and very-low income groups, coupled with declining federal funding;
- Limited multi-family housing construction;
- Neighborhood opposition to higher-density housing; and
- Predatory lending

I. Housing Demand

General Economic Conditions

Employment conditions are key indicators for housing demand. Employment is integral to where people reside, what people can afford, and what people are willing and able to pay. Thus, such factors strongly influence residential market forces. This section examines Asheville Regional Housing Consortium's employment by sector since 1990. It also considers how regional unemployment over the past several years has affected the Asheville Regional Housing Consortium as a whole, its member counties, and the city of Asheville. Journey to work patterns are examined as well.

Employment Sectors.

Table A-1 in the Appendix presents information on non-farm employment by place of work for the Consortium area over the past 13 years. As in the nation as a whole, manufacturing suffered a tremendous decline in employment since 1990 losing 30 percent of its jobs (roughly 2.1 percent annually). Large plant closings and permanent layoffs in the late 1990s followed by the recent economic downturn are primarily responsible for this decline. Consequently, manufacturing experienced an average annual employment decrease of 5.4 percent since 2000 with the worst impact in Transylvania County. Monthly changes reported from the Bureau of Labor Statistics in 2004, however, reflected more stable numbers than recent years, suggesting that this sector could finally be on the verge of a turnaround.[2]

At the other end of the spectrum, the services and education, health, and social services sectors both saw enormous annual growth since 1990 at 5.1 and 4.0 percent, respectively (3.5 and 2.9 percent respectively since 2000). This growth is expected to remain strong due to the concentration of tertiary care facilities in the region, the aging population, and Western North Carolina market growth.[3] Arts/entertainment and retail trade (third largest employment sector) industries also saw their fair share of growth, rising annually at 4.0 and 1.6 percent, respectively, since 1990 (2.1 and 1.7 percent, respectively, since 2000). The resurging tourism industry is the main contributor to this growth, paralleling the nationwide rebound in the lodging industry along with the region's growing popularity among retirees.[4]

Table A-2 offers resident-based employment in 2000 by occupation and industry by jurisdiction. Top occupations for the region included management or other professional occupations at 30.6 percent, while 24.8 percent worked in sales and office occupations. Each county along with Asheville mimicked the same pattern for primary resident occupations, with Asheville leading at 34.5 percent and 25.5 percent, respectively. Regarding industries, education, health, and social services had the greatest number of workers in the Consortium area at 21.5 percent. While manufacturing was a close second in most individual jurisdictions, it was the top industry in

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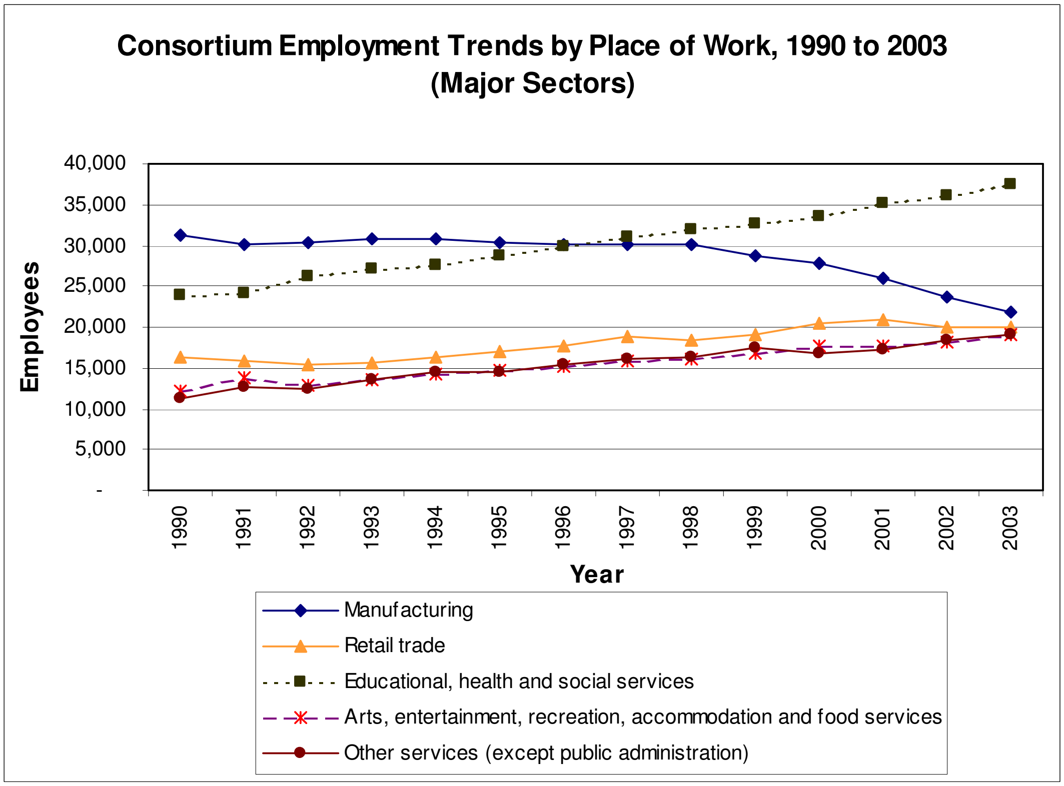
[1] Tviedt, Tom. "Strong Job Growth Continues". Asheville Metro Economy Update. September 2004. <http://www.ashevillechamber.org>

[2] Tviedt, Tom. "Stable Growth Returns." 2004 Asheville Metro Economy Outlook. 03 June 2004. <http://www.ashevillechamber.org>

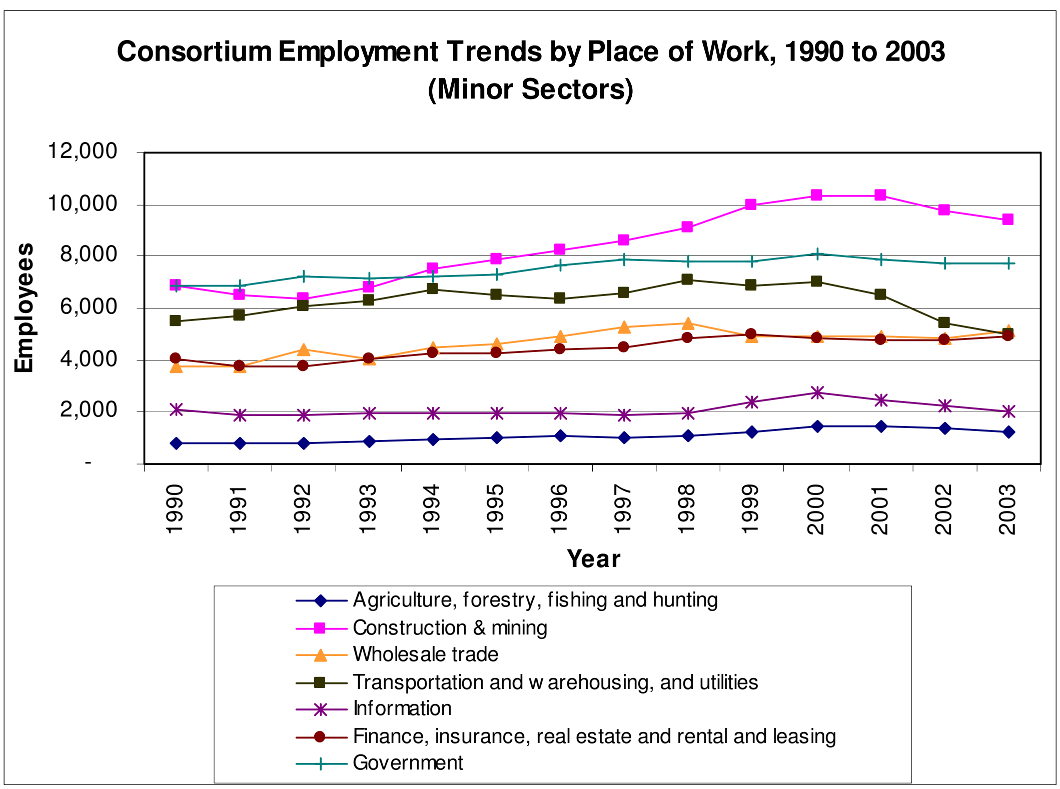
[3] ibid.

Figure 1



Source: Employment Security Commission of North Carolina; Bay Area Economics, 2004.

Figure 2

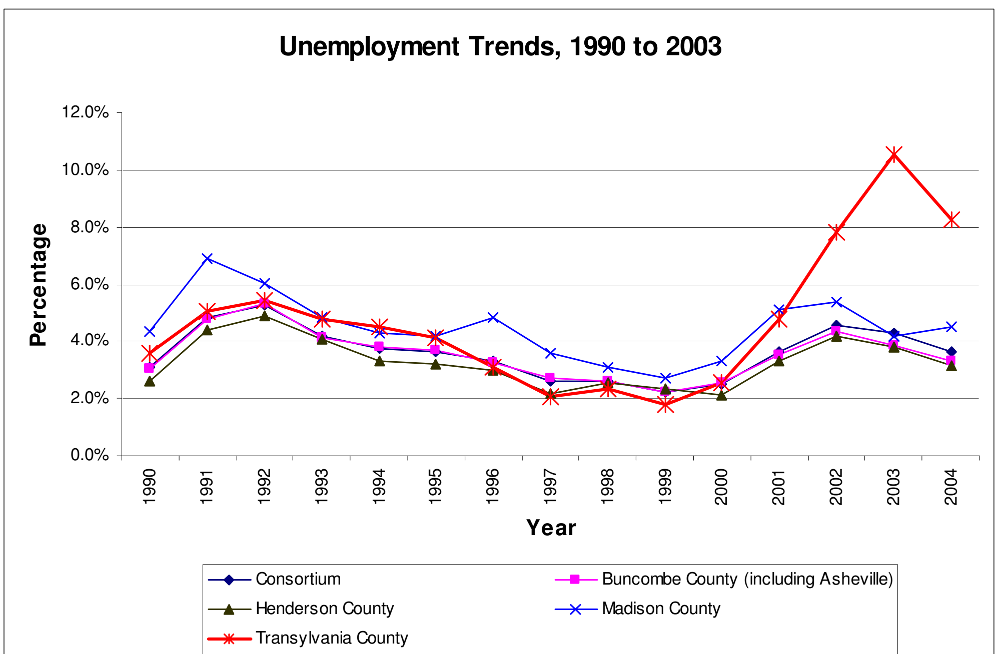


Source: Employment Security Commission of North Carolina; Bay Area Economics, 2004.

Henderson and Transylvania counties at nearly 21.0 percent for each. Asheville revealed an even split among its secondary industries, with arts/entertainment, manufacturing, and retail trade at 12.4, 12.8, and 12.8 percent, respectively. The dominance of tourism and service jobs constrains available wages and household incomes. According to North Carolina's Employment Security Commission, the average cashier earns only $7.52 per hour, while the average hotel clerk earns about $8.12 per hour. As discussed later in this document, such wages place an enormous strain on an individual's ability to afford housing.

Civilian Labor Force and Residential Employment.
Table A-3 displays the trends in the civilian labor force and resident employment from 1990 to 2003. The civilian labor force includes all residents working or looking for work. For the Consortium, the number of employed residents grew 17.1 percent from 1990 to 2000, thereafter fluctuating noticeably with current economic trends. Unemployment has remained below the state and national rates every year since 1990. Local employment rises and falls with the cyclical economy, recently rising during the recession in 2001. Transylvania County was the hardest hit around this time due to the loss of manufacturing jobs, exhibiting rates as high as 7.8 percent in 2002 and 10.5 percent in 2003.

Figure 3



*Year 2004 represents unemployment rates only through 3rd quarter.

Source: Employment Security Commission of North Carolina; Bay Area Economics, 2004

Journey to Work

Commuting patterns can be significant in determining the location of economic and employment centers within a region. Table A-4 provides information on Journey to Work patterns for the Consortium area and individual jurisdictions. Data for the Consortium area reveal that 42 percent of the labor force commutes between 15 and 29 minutes to work daily, indicating that most area workers can afford to live relatively close to their jobs. All counties show similar patterns **except Madison County, which had the highest percentage of residents (47 percent) commuting 30 minutes or more**. This can be attributed to 46.5 percent of Madison County residents working in nearby Buncombe County,[5] which is a regional employment draw. The majority of residents in all other counties and Asheville work within their county of residence. In addition, Asheville revealed a high percentage (41 percent) of residents commuting less than 15 minutes to work.

Population and Household Trends

Tables A-5 thru A-11 indicate population and household trends for the Consortium area and all individual jurisdictions. Data for these tables were derived primarily from the 1990 and 2000 U.S. Census. A national data provider, Claritas, Inc., supplied estimates of 2004 median household income.

Population Trends

The Consortium hosted a population of 344,472 in 2000, with an average annual growth rate of 1.9 percent between 1990 and 2000. This annual growth rate was comparable to the state at 1.8 percent and faster than the nation at 1.3 percent. All member counties along with Asheville shared an increase in average annual population growth since 1990, with Henderson County leading at 2.6 percent. Buncombe County, with more than twice the population of Henderson County, also experienced a sizeable population increase of 1.7 percent per year. All jurisdictions except Asheville experienced greater average annual growth from 1990 to 2000 than in the preceding decade. Buncombe County's growth is clearly attributable to areas outside Asheville, indicating increasingly suburban growth patterns over the 10-year span (Table A-5).

Figure 4: Population, 1980 - 2000

Year	Consortium	Asheville	Buncombe County	Henderson County	Madison County	Transylvania County
1980	259,758	54,022	160,934	58,580	16,827	23,417
1990	286,579	61,607	174,821	69,285	16,953	25,520
10-Year Annual Growth	1.0%	1.3%	0.8%	1.7%	0.1%	0.9%
2000	344,472	68,889	206,330	89,173	19,635	29,334
10-Year Annual Growth	1.9%	1.1%	1.7%	2.6%	1.5%	1.4%

Source: US Census 1980, 1990, & 2000; Bay Area Economics, 2004

Latino Population

North Carolina has one of the fastest growing Latino populations in the entire nation. Unfortunately, due to the high number of undocumented immigrants, the US Census Bureau has largely underreported this growth. Recent efforts, however, have been made by the FaithAction International House to provide more accurate information. Table A-6 provides an estimate of

[5] "Commuting Patterns." Region B Trends: 1990 – 2000 Census Handout.

each jurisdiction's Latino population in recent years that reflects birth rate and school enrollment data. While this population constitutes a very small percentage of the Consortium's total population, it shows evidence of continual growth in the next few years, especially in Henderson and Madison counties.

Households

The number of households in the Asheville Regional Housing Consortium grew from 115,923 in 1990 to 143,510 in 2000 (an average annual growth rate of 2.2 percent). This average annual growth rate was comparable to the state at 2.4 percent and considerably greater than the nation at 1.4 percent for the same period. All member counties experienced higher annual household growth than annual population growth, with Madison and Transylvania counties showing the largest differences in growth rates (Table A-5). This implies a trend towards smaller households and reflects a shift in the age of households in favor of retired baby boomers and/or seniors, who are less likely to have children living at home.

Figure 5: Households, 1990 & 2000

Year	Consortium	Asheville	Buncombe County	Henderson County	Madison County	Transylvania County
1990	115,923	27,027	70,802	28,709	6,488	9,924
2000	143,510	30,690	85,776	37,414	8,000	12,320
10-Year Annual Growth	2.2%	1.3%	1.9%	2.7%	2.1%	2.2%

Source: US Census, 1990 & 2000; Bay Area Economics, 2004

Projections

Table A-5 also gives population and household projections for years 2004 and 2009 with average annual growth rates from 2000 to 2009. For both population and households, the average annual growth expected over this time span is considerably less than the past decade, indicating the influx of retiring baby boomers and aging empty nesters reached its peak during that time period. Interestingly, **Asheville's population is projected to remain relatively flat throughout the next decade, reflecting the limited supply of land available for new residential development.**

Figure 6: Population Projections, 2004 & 2009

Year	Consortium	Asheville	Buncombe County	Henderson County	Madison County	Transylvania County
2004	359,011	68,736	214,522	94,721	20,181	29,587
2009	376,546	68,721	224,581	101,484	20,828	29,853
10-Year Annual Growth	0.9%	0.0%	1.0%	1.4%	0.7%	0.2%

Source: Claritas, Inc.; Bay Area Economics, 2004

Figure 7: Household Projections, 2004 & 2009

Year	Consortium	Asheville	Buncombe County	Henderson County	Madison County	Transylvania County
2004	150,310	30,757	89,554	39,802	8,325	12,629
2009	158,646	30,877	94,177	42,737	8,726	13,006
10-Year Annual Growth	1.1%	0.1%	1.0%	1.5%	1.0%	0.6%

Source: Claritas, Inc.; Bay Area Economics, 2004

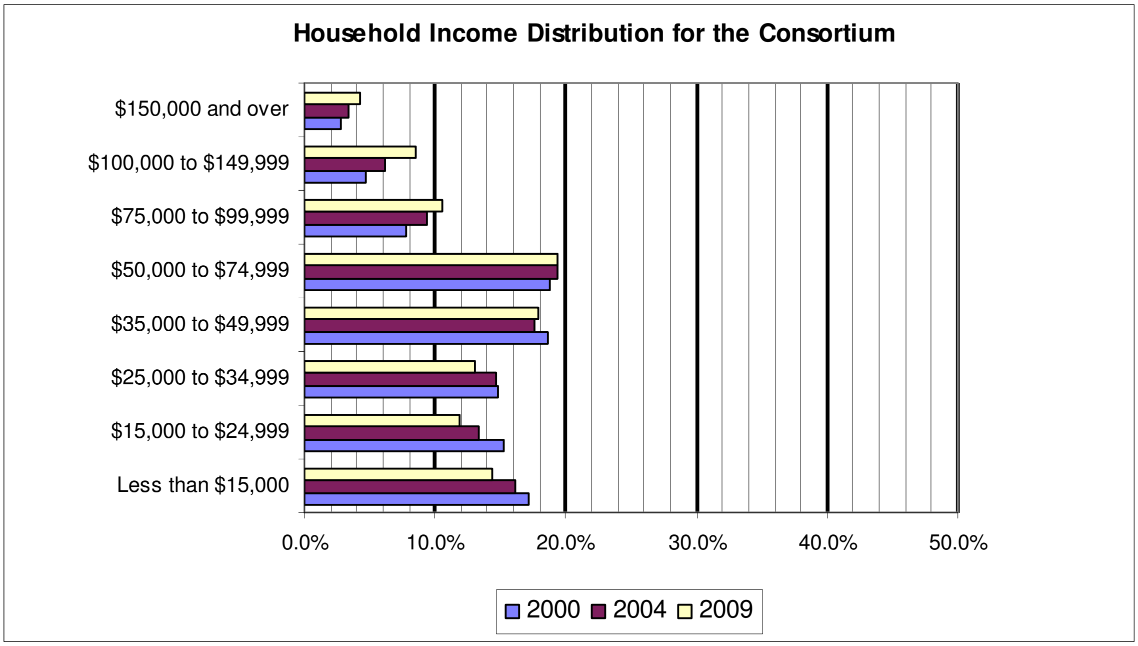
Average Household Size

The average household size for the Consortium area was 2.33 persons in 2000, a decrease from 2.40 in 1990. All member counties and Asheville shared the decrease in average household size, with Madison and Transylvania counties showing the most significant decline during the 10-year period. This trend was consistent with the state and nation, which respectively dropped in average household size from 2.54 and 2.63 in 1990 to 2.49 and 2.59 in 2000. **Asheville households were noticeably smaller than all other jurisdictions, which is consistent with urban households primarily consisting of single persons and couples without children.**

Household Income Distribution

Table A-7 shows that the greatest number of households made between $35,000 and $74,999 for both 2000 and 2004. Noticeable changes between these years for the Consortium area reveal a small percentage shift in favor of those making at or above $75,000. Madison County and Asheville had the greatest percentages of those making less than $15,000 for both years at 23.8 and 21.3 percent, respectively. Madison County saw a five percentage point increase (from 18.3 to 23.8 percent) for this income level in 2004, which in large part is due to the large number of elderly living mainly on social security income (see *Income Distribution by Age of Householder*). In addition, a number of colleges and universities based either in or nearby Asheville, attract a higher-than-average presence of students with typically lower incomes within the city.

Figure 8



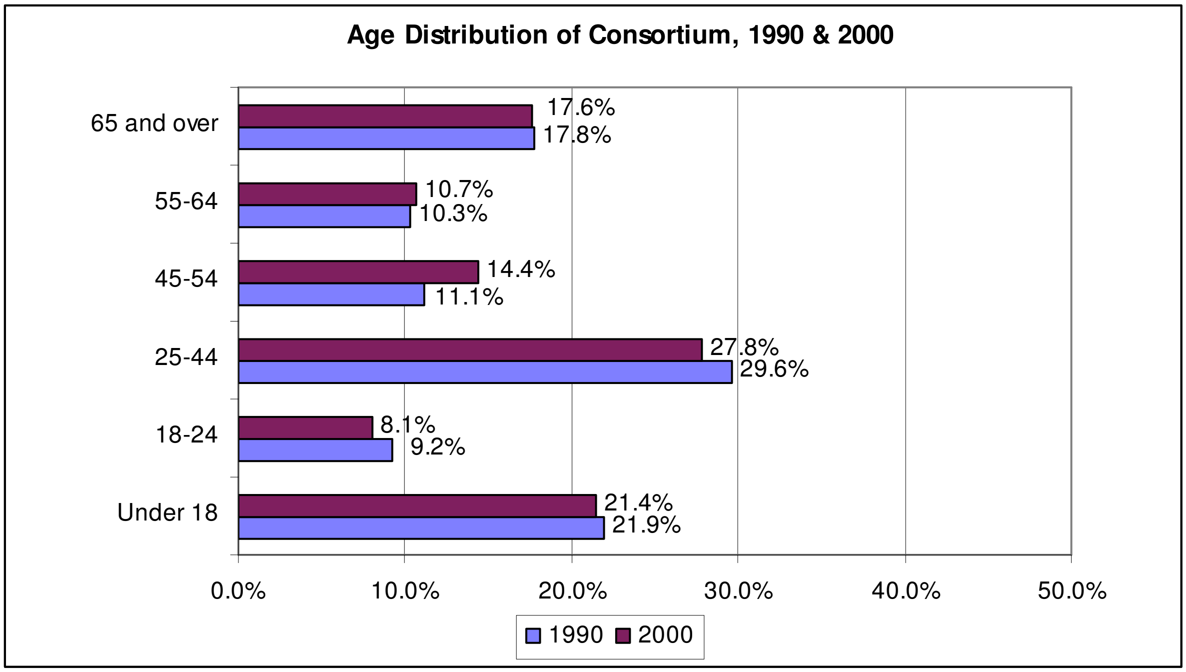
Median Household Income

The Consortium had a median household income of $37,166 in 2000 and $40,028 in 2004, a 7.7-percent increase. **However, the growth in median household income did not keep pace with inflation**. Discounting for inflation, the area's median household actually fell three percent from 2000 to 2004. In 2000, Transylvania County had the highest median household income at $38,587. Henderson County had the highest median household income in 2004 at $41,524. Madison County had noticeably lower median household incomes for both 2000 and 2004, with both slightly less than 87 percent of the Consortium's median household income. State and national data for 2000 reveal higher median household incomes than the Consortium at $39,184 and $41,994, respectively.

Age Distribution

The distribution of population by age for 1990 and 2000 was relatively similar among the Consortium jurisdictions (Table A-8). The largest proportion of residents in 2000 was between 25 to 44 years of age (consistent with the median age of 40.1), followed by either those under 18 years of age or those 65 years of age and older depending on jurisdiction. The median age for all jurisdictions tended to increase from 1990 to 2000, consistent with state and national trends (Henderson County was the only exception). The greatest increase was in the age group of 45 to 55 years, followed by the 55-64 age group. **These trends reflect both the nationwide aging of area baby boomers and the local in-migration of retirees**.

Figure 9



Source: US Census, 2000; Bay Area Economics, 2004

Household Type

The percentage of family households decreased by roughly five points for each jurisdiction from 1990 to 2000. This is consistent with a smaller average household size and an aging population. Asheville had a notably lower share of family households at 54.6 percent of all households.

Table A-9 shows that more than one-quarter (27.7 percent) of households in the Consortium area are single-person households. Asheville again had a notably larger percentage of these households (36.8 percent) due to its urban nature. Table A-10 shows all households by size in 2000. More than one-third (38.7 percent) of Consortium households had two persons. Although small in comparison, the Consortium did host a significant number of households (6.1 percent) with five or more persons.

Household Tenure

Homeownership in the Consortium area increased somewhat from 73.1 percent in 1990 to 73.6 percent in 2000 (Table A-5). Both the state and nation saw slight increases in homeownership during the same period. Individually, Buncombe County retained the same homeownership rate during the decade, while Madison County homeownership fell by 1.3 percentage points in the 1990s. Asheville presents a very different housing tenure pattern (56.3 percent owner/ 43.7 percent renter in 2000), which reflects more varied housing opportunities and characteristics found in an urban setting.

Regarding income by tenure (Table A-11), 21.6 percent of owner-occupied households in the Consortium made between $50,000 and $74,999, followed by 19.6 percent between $35,000 and $49,999. This pattern is consistent across counties and Asheville. Madison County is the only exception, with its greatest percentage of owner-occupied households (21.2 percent) making less than $15,000. **As expected, renter households had substantially lower incomes than owners.** In the Consortium area, owner households' median income exceeded renter household incomes by 78 percent. Approximately one-third of renters made less than $15,000. Madison County led in percentage for this income level with 41.6 percent, indicating a significant population in need of affordable housing opportunities.

Public Housing Authority Housing Tenants

The Asheville Regional Housing Consortium includes seven housing authorities: Asheville, Brevard, Hendersonville, Hot Springs, Madison County, Mars Hill, and Marshall.

Asheville Housing Authority (AHA) has 1,540 units occupied by 3,538 persons including 278 elderly, 503 handicapped or disabled, and 1,411 children 18 years of age or under. AHA has 655 White and 2,512 African-Americans residents as well as 43 persons of another race. The public housing waiting list includes 396 families, of which 55 percent have extremely low incomes (30 percent of the AMI or below). The racial composition is as follows: 161 White (non-Hispanic); 7 White (Hispanic); 216 African-Americans; 4 Native Americans; and one Asian.

Brevard Housing Authority (BHA) managed by AHA, serves Transylvania County residents. BHA hosts several properties, totaling 163 public housing units. BHA has a current waiting list of 71 applicants. Forty-five, or 63 percent, of those on the waiting list are of extremely-low-income, while 20 are of very-low-income and 6 of low-income.

Hendersonville Housing Authority (HHA) has 383 units serving a total population of 794 persons among its multi-family housing projects and scattered site properties. Many of the HHA developments serve the special needs population, including 90 disabled or handicapped individuals, 88 elderly residents, and 106 single-parent households. There are also 18 large families with five or more members. The waiting list consists of 36 applicants currently, including 5 elderly households, 12 disabled or handicapped individuals, and one large family. Only eight of these applicants have earned income.

Hot Springs Housing Authority (HSHA) provides a total of 60 units. Its total tenant population consists of 90 tenants, 40 percent of whom are either elderly or disabled. It has six applicants on its current waiting list.

Madison County Housing Authority (MCHA) has one property with 40 units, serving 88 persons including 40 children, 6 elderly, 8 disabled and 4 large families of 4 or more people. There are currently 10 families on the waiting list.

Mars Hill Housing Authority (MHHA) oversees 47 housing units. There are currently 17 applicants on the waiting list. Annual unit turnover for MHHA is only about 4 percent.

Marshall Housing Authority (MHA) has 45 units across four scattered site properties. There are 22 elderly inhabitants. MHA has a high turnover rate.

Figure 10: Public Housing Characteristics by Housing Authority							
	Asheville	Brevard	Henderson-ville	Hot Springs	Madison County	Mars Hill	Marshall
Total Units	1,540	163	383	60	40	47	45
Total Persons	3,538	N/A	794	90	88	N/A	N/A
Elderly	278	N/A	88	N/A	6	N/A	N/A
Disabled	503	N/A	90	N/A	8	N/A	N/A
Total Waiting List	396	71	36	6	10	17	N/A
Elderly	16	1	5	N/A	N/A	N/A	N/A
Disabled	53	19	12	N/A	N/A	N/A	N/A
Children (under 18)	145	N/A	N/A	N/A	N/A	N/A	N/A

Section 8 Housing Vouchers

The Section 8 Voucher Program provides rent subsidies for income-eligible families, funded by the US Department of Housing and Urban Development (HUD). Participants in the program pay 30 percent of their adjusted monthly income for housing and the program pays the gap between that and the local Fair Market Rent (FMR) as established by HUD.

Each housing authority or contracted entity has a specific allocation of Section 8 vouchers based on need. Asheville Housing Authority administers 1,355 Section 8 housing vouchers, which serve 2,596 persons, of whom 63 percent are White, 34 percent are African-American, and 3 percent are of another race. This contrasts with public housing residents of whom 71 percent are African-Americans and 19 percent are White. Additional breakdowns are as follows: 1,122 children 18 years of age or under; 242 elderly; and 568 individuals with disabilities. **There are presently 2,000 applicants on the AHA waiting list for vouchers, representing a waiting time of approximately three years.**

Western Carolina Community Action, Inc. (WCCA) manages the Section 8 housing program for Henderson and Transylvania housing authorities. Henderson County has 420 Section 8 vouchers with 244 applicants on the waiting list. Transylvania County has 226 Section 8 vouchers with and 60 applicants on the waiting list. Madison County Housing Authority has 191 vouchers and 22 applicants on the waiting list.

Figure 11: Section 8 Vouchers and Waiting Lists				
	Asheville	Transylvania	Henderson	Madison
Total Vouchers	1,355	226	420	191
Total Persons	2,596	N/A	N/A	N/A
Elderly	242	N/A	N/A	N/A
Disabled	568	N/A	N/A	N/A
Children (under 18)	1,122	N/A	N/A	N/A
White	1,635	N/A	N/A	N/A
African-American	883	N/A	N/A	N/A
Other Race	78	N/A	N/A	N/A
Total Waiting List	2,000	60	244	22

Income Distribution

There is typically a wide distribution of incomes within any household type. Variations in household incomes depend on such factors as geographic locations, the age of householder, and racial/ethnic characteristics of the household.

In evaluating housing assistance needs, the U.S Department of Housing and Urban Development (HUD) sets income limits and definitions for the low-income population based on an area's median family income (AMI), adjusted for family size. The HUD income categories are shown below with illustrative incomes for a family of four persons. To be consistent with HUD's calculation of income limits, this section will be broken down according to the following jurisdictions: Asheville Metropolitan Statistical Area (Buncombe and Madison counties), Henderson County, and Transylvania County.

Figures 12 – 14: HUD Income Limits for a Four-Person Household

Asheville MSA Area Median Family Income (AMI): $49,700

Type of Income	Percent of AMI	Amount
Extremely Low Income	0-30%	Under $14,900
Very Low Income	31-50%	$14,901 - $24,850
Low Income	51-80%	$24,851 - $39,750
Moderate to Upper Income	Above 80%	$39,751 and above

Henderson County Area Median Family Income (AMI): $50,500

Type of Income	Percent of AMI	Amount
Extremely Low Income	0-30%	Under $15,850
Very Low Income	31-50%	$15,851 - $26,400
Low Income	51-80%	$26,401 - $42,250
Moderate to Upper Income	Above 80%	$42,250 and above

Transylvania County Area Median Family Income (AMI): $51,200

Type of Income	Percent of AMI	Amount
Extremely Low Income	0-30%	Under $15,350
Very Low Income	31-50%	$15,351 - $25,600
Low Income	51-80%	$25,601 - $40,950
Moderate to Upper Income	Above 80%	$40,951 and above

Income Distribution by Age of Householder

Table A-12 compares income distribution with the age of the householder. For the Asheville Regional Housing Consortium, persons in their prime earning years (25 to 64 years of age) carried the highest incomes. The predominant income bracket for this age group in the Consortium was $50,000 to $74,999, followed by $35,000 to $49,999. For householders 65 years of age and older, the predominant income bracket in the Consortium was less than $15,000, consisting of 26.9 percent of all elderly households. The same trend is seen in each member county and Asheville. It parallels the typical path of the labor force from entry-level position to peak earning power at midlife to gradually declining incomes nearing retirement. As might be expected, the very-low-income bracket for the elderly indicates a significant dependency on Social Security income. This was most noticeable in Madison County, where 45.7 percent of householders 65 years of age or older have income less than $15,000. This may be a reason why the county's median household income is lower than the other member counties. Madison County is also the only county where the poverty rate for the elderly still exceeds the poverty rate for children under 18. In the other counties, as in the nation and state, the incidence of childhood poverty has overtaken elderly poverty.

Income Levels by Jurisdiction
Table A-13 shows the distribution of households by HUD income category. More than three-fifths (61.0 percent) of all households in the Consortium made more than 80 percent of AMI, with Henderson County leading with 63.1 percent. Buncombe County, which has more than twice as many households as Henderson County, ran a very close second at 61.0 percent. Despite these majorities, **nearly 56,000 (39 percent) of the Consortium's households made less than 80 percent of the AMI**. Most of these were renters. Madison County led with 70.7 percent of renter households having incomes of 80 percent of AMI or less. These figures evidence the need for creative affordable and/or subsidized housing solutions that cater to this population.

Income Level by Race and Ethnicity
Table A-14 offers 2000 data on income distributions by race and ethnicity. Some racial and ethnic groups are disproportionately impacted by lower household incomes. HUD defines a group as disproportionately impacted if its representation in a particular category is ten percentage points or more above the proportion of the overall population found in the same category. Within the Consortium, the African-American (non-Hispanic) population is disproportionately impacted in the extremely-low-income group at 24.4 percent, as the percentage of all households stands at 10.3. The same held true for all member counties (except Madison County) and for Asheville. Other disproportionately impacted groups are low-income Hispanic households in Transylvania and Henderson Counties, The Native American population is also disproportionately impacted in some jurisdictions; however, the small numbers of this population tend to make data unreliable. Overall, 61.5 percent of African-American households, 50.7 percent of Hispanic households, and 45.1 percent of Native American households in the Consortium had incomes of 80 percent or less of AMI as compared with 37.4 percent of White households.

Appendix B contains 12 maps showing the concentration of the aforementioned minority populations by census tract. Much of the Consortium's minority populations are concentrated within the city limits of Asheville, Brevard, and Hendersonville. Henderson, Madison, and Transylvania Counties also show noticeable minority clusters along their respective perimeters nearest to Buncombe County, the region's employment center. Specifically, Buncombe County shows a dense African-American population mainly within Asheville city limits, compared to Hispanic and Native American populations that grow denser farther away from city limits. Henderson County's quickly growing Hispanic population is very evident and more widespread than other minority populations. Madison County reveals a very small minority population primarily concentrated in its eastern edge, while all minority populations for Transylvania County have concentrated near Brevard and the County's northeastern edge.

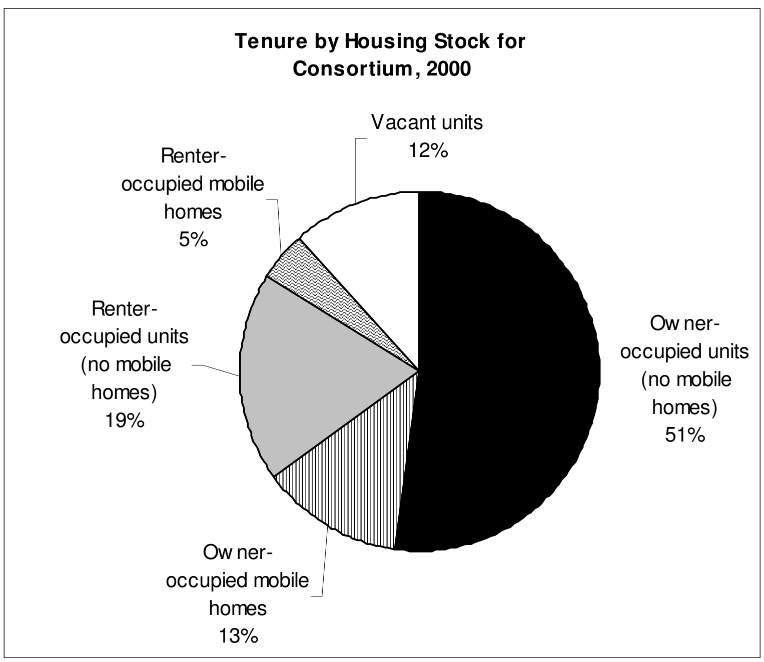
II. Housing Supply

This section of the Housing Market Analysis spotlights the supply of housing available to meet the demand from the demographic groups previously discussed. The types of physical units available within a study area and the rents or sales prices that these units command in the market place characterize available supply. The Asheville Regional Housing Consortium had a total of 162,244 housing units in 2000, according to the U.S. Census.

Housing Stock Composition

Table A-15 displays 2000 U.S. Census housing stock data. For the Consortium, single-family detached housing constituted the majority of the housing stock (65.4 percent). The same held true for each member county, with Transylvania County leading at 75.3 percent. The Consortium and each member county also had a sizeable amount of mobile homes and trailers (excluding manufactured housing on permanent foundations). Madison County hosted the largest percentage of mobile homes at 28.1 percent. In Asheville, multifamily units made up over one-third of the housing stock, reflecting the significant rental opportunities and growing condominium market in the City.

Figure 15



Source: US Census, 2000; Bay Area Economics, 2004

Additions to Current Housing Stock

Building permit data pulled from the 2000 Census and the State of the Cities Data Systems (SOCDS) Building Permits Database provided the latest additions to the current housing stock since 2000. While the data are reliable, they do not take into account any buildings permitted, but never built. They also do not consider any housing stock lost through demolition, condemnation, or natural disaster (including housing lost in the September 2004 floods).

Table A-16 shows the number of housing units permitted from 2000 to 2004 for the Consortium, each member county, and Asheville. For the Consortium, 15,466 total units received permits, with the majority (11,637 units) being single-family units **– a remarkable 52 percent increase in housing construction compared with the previous four years**. The peak years for construction were 2001 and 2002 at 3,601 units and 3,609 units, respectively. Specifically, Buncombe County permitted 8,980units from 2000 to 2004, including 1,852 permitted in Asheville alone. Madison County had the lowest number of permitted units at 648. Madison and Transylvania counties did not have any recorded permits of multifamily housing during this time period nor in the preceding five years. However, the data did not capture 76 units of rental housing in two tax credit projects that started construction in Brevard early in 2005. **The number of new housing units permitted is more than twice the increase in households in the Consortium over the same period.** Second homes account for a large part of this apparent surplus, but it may also indicate increased rental vacancies as the rental market reaches a better balance than in recent years when rental housing was hard to find.

A notable feature of recent housing additions is the emergence of modular construction as a common building method. Modular homes are factory built, like mobile homes, but unlike mobile homes they are not built on a chassis and do meet state building code. An increasingly wide variety of designs are available, and though the cheaper modular units resemble mobile homes, the more expensive ones are externally indistinguishable from stick-built homes. Within Asheville, 23 percent of new single-family homes permitted in 2004 were modular. Modular construction is also starting to appear in the multi-family sector.

Figure 16: Number of New Housing Units Permitted from 2000 to 2004

Jurisdiction	Single-Family	Percent of Total	Multi-Family	Percent of Total	Total Housing Units
Consortium	**11,637**	**75.2%**	**2,707**	**17.5%**	**15,466**
Buncombe County	5,858	65.2%	3,122	34.8%	8,980
Henderson County	3,530	83.3%	707	16.7%	4,237
Madison County	648	100%	0	0.0%	648
Transylvania County[1]	1,601	100%	0	0.0%	1,601
Asheville	1,065	57.5%	787	42.5%	1,852

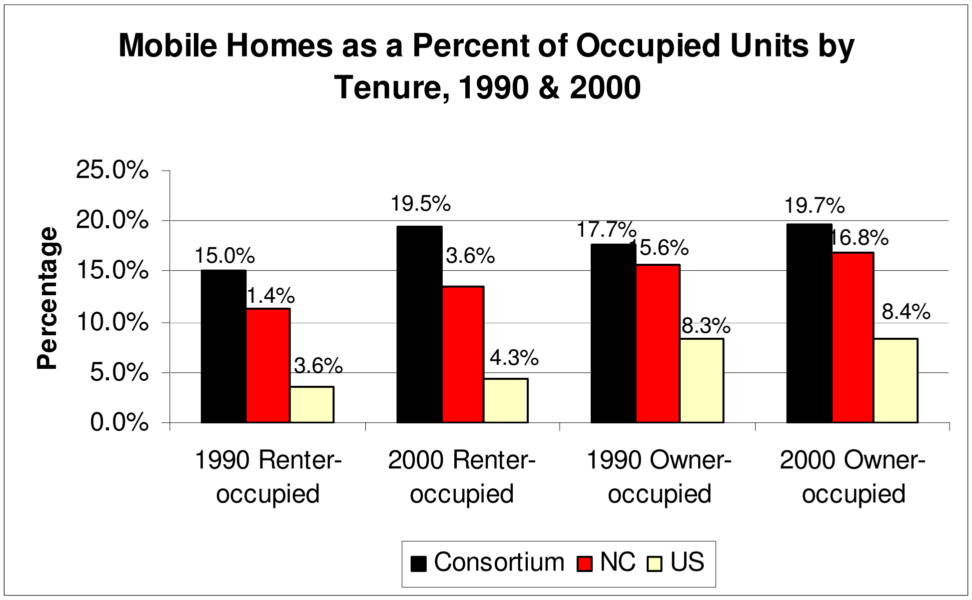
[1]County records do not record building permits for multifamily developments. Known multifamily developments include 76 units.

Source: U.S. Census, 2000; SOCDS Building Permits Database; Bay Area Economics, 2004

Mobile Homes

Mobile homes increased substantially in the region as the most common alternative to costly single-family dwelling units in the region. As previously stated, Table A-15 presents units in structure for 2000. One-fifth of the units in the Consortium area are mobile homes, trailers, and other structures not affixed on permanent foundations. For individual counties, mobile home units ranged from 16.7 percent (Transylvania County) to 27.8 percent (Madison County) of the housing stock. In all cases, except Asheville, the number of mobile homes exceeded the number of multi-family units and was thus the most prevalent alternative to single-family housing. Figure 17 shows that the Consortium has a greater percentage of mobile homes than the state or the nation and this percentage continues to increase. The percentage of renter-occupied mobile homes jumped 4.5 percentage points from 1990 to 2000.

Figure 17



Source: US Census 1990 & 2000; Bay Area Economics, 2004

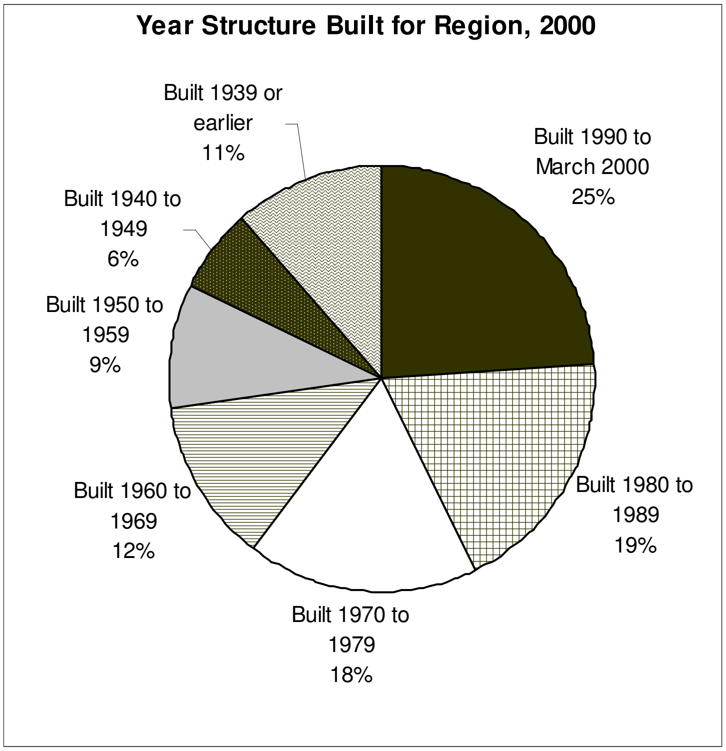
Condition of Housing Stock

Without a visual survey or inspection of each housing unit in the Consortium, the condition of housing stock is difficult to pinpoint. The Census provides two minimum indicators for housing condition: availability of indoor plumbing and age. Table A-17 exhibits tenure by plumbing facilities. Only 567 units in the Consortium lack sufficient plumbing for habitation. This accounts for a small portion of the substandard housing units within the region. The distinct amount of older housing in parts of the Consortium area suggests that a fair amount of housing could be in need of repair or rehabilitation. Additionally, lead-based paint is likely to be found in units built before 1960, which encompasses 26.2 percent of the Consortium's housing stock (Table A-18).

Age of Housing Stock

Table A-18 shows a consistent increase in the number of units built in each decade since 1940. Accordingly, the decade of 1990 to 2000 represented the largest gain in new housing units for the Consortium area (24.0 percent) and each member county. Henderson County led with 27.6 percent of its housing units built since 1990, paralleling its significant growth in population of residents 45 years of age and over. The majority of Asheville's housing stock was built prior to 1970, with 22.6 percent of units built prior to 1940. The small percentage of growth in the recent decades reflects the lack of undeveloped land in Asheville. As a result, Buncombe County has a noteworthy percentage of these older units at 13.6 percent, similar to Madison County at 14.6 percent.

Figure 18

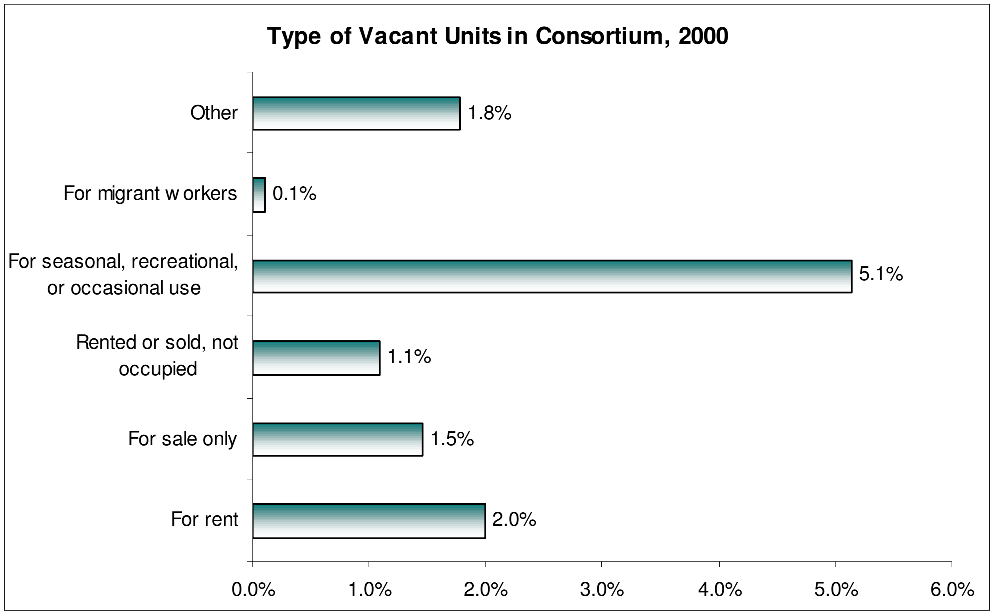


Source: US Census 2000; Bay Area Economics, 2004

Availability of Housing

According to Table A-19, 11.5 percent, or 18,735 units, of the Consortium's housing stock in 2000 was vacant. The Census defines "vacant" as any unit not occupied by a year-round household that resides there six months or more each year. As a result, the region's large supply of second homes registers as vacant units. Approximately half of the vacant units (5.1 percent of total units) were held for seasonal, recreational, or occasional use. Three out of four member counties reflected high percentages for second homes, with Transylvania County leading at 15.4 percent of total units. Asheville stood alone with most of its vacant units consisting of rental property. Overall, the vacancy status appears relatively healthy, as retirees or frequent vacationers capitalize on available properties. The problem of abandoned properties leading to pervasive disinvestment and blight is not one that the Consortium faces.

Figure 19



Source: US Census, 2000; Bay Area Economics, 2004

Assisted Housing Units

Public Housing Units

Asheville Housing Authority (AHA) is by far the largest of the seven Public Housing Authorities in the region, operating 11 multi-family housing developments totaling 1,540 units. In December 2004 AHA had 178 vacant units (11.6% of the stock). However, 58 of these were off-line for repairs or other reasons and 72 were assigned and awaiting occupancy, giving an adjusted vacancy of 48 units (3.1%). The mismatch between the AHA inventory and demand shows the primary unmet need is for one-bedroom units. Given the limited demand for efficiency units, there may be an opportunity to combine and reconfigure vacant efficiency units to create larger one-bedroom units.

Hendersonville Housing Authority (HHA) is the second largest PHA, managing one multi-family housing complex totaling 383 units. Due to recent flood damage or modernization work, 23 units are not inhabitable. HHA is working to convert unpopular efficiency units into one bedroom units. It has found its waiting list declining as new apartments built using Low Income Housing Tax Credits have recently become available.

Brevard's Housing Authority (BHA) manages a total of 163 units in six multifamily properties.

There are four public housing authorities within Madison County: Hot Springs; Madison County; Mars Hill; and Marshall. Hot Springs Housing Authority (HSHA) has 2 multi-family housing projects with several scattered properties. Madison County Housing Authority (MCHA) has one public housing development with 40 units. Mars Hill Housing Authority (MHHA) operates one property with 47 total units. Marshall Housing Authority (MHA) has four multi-family housing projects with 45 units.

Figure 20: Public Housing Supply by Housing Authority							
	Asheville	Brevard	Henderson-ville	Hot Springs	Madison County	Mars Hill	Marshall
Total Units	1,540	163	383	60	40	47	45
Efficiency	193	24	34	50	0	0	0
One Bedroom	264	32	114	4	0	20	20
Two Bedrooms	558	68	117	6	28	14	15
Three Bedrooms	381	27	94	0	12	12	6
Four Bedrooms	127	12	17	0	0	1	4
Five Bedrooms	10	0	7	0	0	0	0
Total Vacant Units	178*	10	8	N/A	1	N/A	N/A
Annual Turnover Rate	22%	37%	30%	33%	30%	4%	N/A
Total Units Needed	396	71	36	6	10	17	N/A
Efficiency	0	0	0	N/A	0	N/A	N/A
One Bedroom	298	29	24	N/A	0	N/A	N/A
Two Bedrooms	67	34	7	N/A	7	N/A	N/A
Three Bedrooms	28	7	4	N/A	3	N/A	N/A
Four or more Bedrooms	3	1	1	N/A	0	N/A	N/A

*Note: see text

Based on the above data, there is a definite mismatch between the public housing supply and the number of units needed. **A total of at least 571 additional units are needed for the Consortium**, with Asheville clearly demanding the majority. In most areas **the primary unmet need is for one-bedroom units**

The rates of turnover show that families stay in public housing for an average of three to five years, contrary to the popular belief that public housing residents remain dependent on public housing throughout their lives.

Additional Subsidized Housing Units

Subsidized housing not only includes housing managed by the area's public housing authorities, but also units provided by private landlords that receive HUD subsidies and/or assistance. These units include private properties that take public subsidies such as Section 8 or those developed with Low-Income Housing Tax Credits. The table below gives a total of subsidized housing units per jurisdiction. Tables A-20 and A-21 offer a more specific breakdown of Section 8 and LIHTC units.

Figure 21: Subsidized Housing Units

Jurisdiction	Public Housing Units	Section 8 Housing Units	Total LIHTC Units	LIHTC Under Construction/ Renovation*	Total Number of Units	Total Units per 100 Renters**
Asheville	1,540	893	817	172	3,422	61
Buncombe Co.	1,540	893	968	211	3,612	39
Henderson Co.	388	29	128	64	609	21
Madison Co.	192	0	34	0	226	25
Transylvania Co.	163	40	109	76	388	40
Consortium	**2,283**	**962**	**1,239**	**351**	**4,835**	**34**

*These units are not additional units and are included in the total LIHTC unit count.

**Renters are limited to only those with incomes of 50 percent of AMI or less.

Source: US Department of Housing and Urban Development; Bay Area Economics, 2004

As expected, each jurisdiction reflects a subsidized housing supply proportionate to its respective populations, with Asheville and Buncombe County leading in the number of units. All jurisdictions (aside from Madison County) are currently adding new LIHTC units to their overall subsidized housing counts. The 351 new units under construction or renovation may relieve some of the current unmet need for subsidized housing units in the Consortium. As a whole, the Consortium currently provides 34 subsidized units for every 100 renters with incomes up to 50 percent of AMI. **Asheville provides the highest rate of assistance, with sufficient subsidized housing for six out of every ten very-low-income and extremely-low-income renters.**

Assisted Units at Risk of Conversion

Subsidized units at the end of their affordability contracts are at risk of conversion to market-rate rents. In past decades, HUD allocated funding to Section 8 project-based developments with 10-, 15-, or 20-year subsidy contracts to assist low-income households. A total of 542 units in HUD-subsidized developments currently serving low-income households throughout the Consortium have contracts that have already expired or will be expiring in the next five years as shown in the following table.

Table 1: Expiring Units by Jurisdiction		
Buncombe County	**Expiration Date**	**Total Units**
Andrews Gardens Apartments	2/3/2005	14
Arrowhead Apartments	4/3/2005	116
ARC/HDS Buncombe Co ICF/MR	8/31/2004	5
Dunstan Manor Group Home	9/22/2004	7
Givens Estates	5/14/2005	78
WNC Marne Road Group Home	2/3/2004	6
Laurel Woods Apartments*	2/24/2006	50
Spruce Hill Apartments	7/31/2005	70
Vanderbilt Apartments*	8/31/2004	96
WNC Autistic Group Home*	10/23/2004	5
WNC Kling Drive Apartments*	2/6/2005	8
WNC Nantahala Street Apartments*	5/7/2005	10
WNC-Ridge Apartments*	9/18/2006	8
Ross Creek Commons	12/4/2008	0
Total		**473**
Henderson County		
East Winds Apartments	10/14/2004	**29**
Total		**29**
Transylvania County		
Balsam Grove Apartments	10/17/2004	**40**
Total		**40**

Note: *denotes properties that will either renew or remain affordable

Source: HUD; Bay Area Economics, 2004

Current Rental Housing Market

The Consortium's private rental housing stock consists of mostly small- to medium-sized apartment complexes, mobile homes, and rented single-family homes. Table A-22 details the range of contract rents for each jurisdiction in the Asheville Regional Housing Consortium in 2000. At that time, the most prevalent contract rent range was $300 - $500, representing 37.2 percent of renters in the Consortium area. In Henderson County, 51.4 percent of rents fell in this range. The other jurisdictions followed suit except for Madison County, where 44.4 percent of rents were below $300.

Rents have risen significantly since 2000, but not as rapidly as house prices. Figure 22, below, gives rent ranges offered by rental complexes in today's Consortium market. BAE collected this data from rental agents and managers at a sample of rental developments in Buncombe and Transylvania Counties, totaling 3200 units. Detailed survey results are in Table A-23. Efficiency and studio rents are excluded due to insufficient data. While Transylvania County had rents as low as $400, most rents were in upper $500s to upper $600s, a substantial increase since 2000.

Figure 22A provides more detailed information on the rental market in Asheville/Buncombe County taken from a survey of over 6,000 units carried out in December 2004 by a commercial real estate research firm.

Figure 22: Rent Ranges per Unit Type (Consortium wide)

Unit Type	Rent Range
1 Bedroom	$400 - $715
2 Bedrooms	$450 - $915
3 Bedrooms	$650 - $1,330

Source: Bay Area Economics, 2004

Figure 22A: Average Rents and Vacancy Rates for Buncombe County

Unit Type	Average Rent	Vacancy Rate
1 Bedroom	$615	7.2%
2 Bedrooms	$702	9.8%
3 Bedrooms	$786	9.2%

Source: Real Data, Inc. – Asheville Apartment Index, December 2004

The 2000 US Census reported 3,232 vacant units (7.9 percent of total rental units) available for rent in the Consortium area. The Consortium's 2000 rental vacancy status was slightly lower than the state (8.8 percent), but higher than the nation (6.8 percent). Since 2000, area realtors report that rental vacancy rates have increased in the region and the nation. Low mortgage interest rates have encouraged many renters to buy homes. A healthy market typically has an occupancy rate of roughly 95 percent, allowing for movement within the rental market. Current vacancy rates appear to be somewhat higher than this, but Real Data Inc. noted a downward trend.

Fair Market Rents

HUD sets Fair Market Rents for each jurisdiction at the estimated 40^{th} percentile of market rents, adjusted for unit size. The recently published Fair Market Rents for 2005 are shown below.

Figures 23 – 25: Fair Market Rents
(inclusive of utilities)

Asheville MSA (Buncombe and Madison Counties)

Bedroom Type	Fair Market Rents
Efficiency	$460
1 Bedroom	$537
2 Bedrooms	$600
3 Bedrooms	$816
4 Bedrooms	$1,054

Henderson County

Bedroom Type	Fair Market Rents
Efficiency	$371
1 Bedroom	$457
2 Bedrooms	$572
3 Bedrooms	$754
4 Bedrooms	$838

Transylvania County

Bedroom Type	Fair Market Rents
Efficiency	$320
1 Bedroom	$445
2 Bedrooms	$493
3 Bedrooms	$622
4 Bedrooms	$656

A comparison of market rental rates with the rents affordable to Consortium residents highlights the cost pressures facing the region's low-income households and the limited supply of affordable units. Out of the 3,200 market-rate rental units surveyed in the Consortium, only 572 units (17.8 percent) were set at Fair Market Rent rates. **This supply is inadequate compared to the overwhelming demand of units needed to support those in need of subsidized housing**. It dwindles even further because market-rate renters also compete for these units. This issue is common to many cities and requires much attention to the provision of units affordable with housing vouchers.

Specifically, the Housing Authority of the City of Asheville reports that only one-half of its Section 8 voucher holders are able to find suitable housing at rents within the FMR standards. In Henderson County, the success rate is somewhat higher at 55 to 60 percent. However, in Transylvania County, the success rate has been as low as 35 percent, though it has recently improved to 45 percent. This results, in part, from FMR standards that do not accurately reflect true market rents.

Rental Affordability

Affordable housing units are generally defined as those units costing a household 30 percent or less of its income for rent and utilities. The following table shows the maximum affordable gross rent according to HUD's geographic breakdown for income limits for this area. Henderson County has the highest maximum affordable gross rents in the Consortium, followed by Transylvania County and the Asheville MSA, respectively. Maximum affordable gross rents in Asheville MSA are lower primarily due to Madison County's high percentage of low-income households. Using a four-person household as a standard for comparison, the region's maximum affordable monthly housing costs range from nearly $400 for an extremely-low-income household to nearly $1,000 for those with incomes at 80 percent of AMI. Very-low-income households can afford monthly rents of up to roughly $650 depending on jurisdiction (Figure 26 on following page).

The mismatch between fair market rents and affordable rents identifies the affordability gap in the market; there is very little housing affordable to very-low-income and extremely-low-income households.

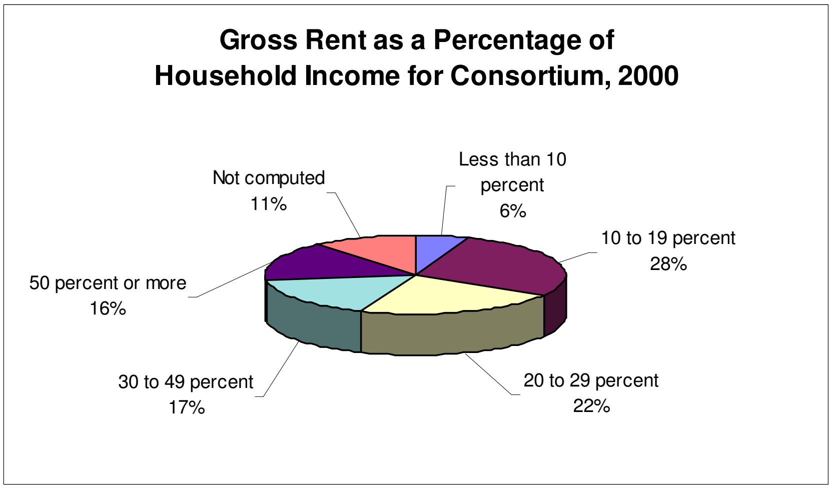
In Buncombe and Madison counties, a two-bedroom unit has a fair market rent of $600 per month, yet a three-person extremely-low-income household could only afford $335 or less for monthly rent and utilities. Among very-low-income families of three, only those with the highest incomes near 50 percent of AMI could afford the fair market rent. None of the very-low-income families could afford the typical three-bedroom unit without financial assistance. The situation is similar, though not as severe, in Henderson and Transylvania counties.

Figure 26: Maximum Affordable Gross Rent in Consortium, 2004

	Household Size				
Asheville Metropolitan Statistical Area	**1 person**	**2 persons**	**3 persons**	**4 persons**	**5 persons**
Extremely Low Income (0% to 30%)	$261	$299	$335	$373	$403
Very Low Income (31% to 50%)	$435	$498	$559	$621	$671
Low Income (51% to 80%)	$696	$795	$895	$994	$1,074
	Household Size				
Henderson County	**1 person**	**2 persons**	**3 persons**	**4 persons**	**5 persons**
Extremely Low Income (0% to 30%)	$278	$316	$ 356	$ 396	$428
Very Low Income (31% to 50%)	$463	$528	$ 594	$ 660	$713
Low Income (51% to 80%)	$739	$845	$ 1,056	$ 1,056	$1,140
	Household Size				
Transylvania County	**1 person**	**2 persons**	**3 persons**	**4 persons**	**5 persons**
Extremely Low Income (0% to 30%)	$269	$308	$345	$384	$415
Very Low Income (31% to 50%)	$448	$513	$576	$640	$691
Low Income (51% to 80%)	$716	$819	$921	$1,024	$1,106

For these households, the measure of housing affordability is determined by the housing cost burden, the percent of total gross income spent on housing (rent and utilities). When a household pays in excess of 30 percent of its gross income for housing, it is considered to have a "housing cost burden". Households with severe cost burdens spend more than 50 percent of their gross income for housing.

Figure 27



Source: US Census 2000; Bay Area Economics, 2004

Table A-24 shows gross rent as a percentage of household income for 2000. One-third of the region's households spent 30 percent or more of their household income on gross rent. All counties reflected relatively similar percentages of those with such cost burdens. For Asheville, 40.5 percent of households spent 30 percent or more on gross rent. In addition, those severely cost burdened made up 16.6 percent of the region's households. Individual counties reflected similar percentages.

When examined more specifically by income level, housing cost burdens are much higher among low-income households in the Consortium (Table A-25a). Sixty-five percent of extremely-low-income renter households spent more than 30 percent of their income on housing in 2000, including 53 percent who spent more than one-half of their income on housing. Sixty percent of very-low-income renter households spent 30 percent or more of their income on housing, including 24 percent who were severely cost burdened. As expected, low-income renter households had the lowest percent cost burdened and severely cost burdened at 30 percent and 3 percent, respectively.

The National Low Income Housing Coalition (NLIHC) provides another way of understanding the affordability gap – the wage a single-earner household would need to earn to pay for the average unit (assumed at HUD's Fair Market Rent). NLIHC reports that a worker would need to earn $11.54 per hour to afford a two-bedroom unit while working 40 hours per week. A worker making minimum wage would need to work 90 hours per week to afford the two-bedroom FMR. This reflects an increase from 82 hours in just the last five years. Many low-income residents work more than one job and much more than 40 hours per week, but frequently the gap between market and affordable rents requires such households to spend more than 30 percent of their incomes on rent.

Figure 28: Hourly Wage vs. Work Hours

Unit Type	Hourly Wage[1]	Work Hours[2]
Efficiency FMR	$8.85	69
1 Bedroom FMR	$10.33	80
2 Bedroom FMR	$11.54	90
3 Bedroom FMR	$15.69	122
4 Bedroom FMR	$20.27	157

Note: [1]Hourly wage required to afford each unit type of housing
[2]Hours per week necessary at minimum wage to afford each size of housing unit

The North Carolina Employment Security Commission lists various occupations exhibiting wage levels that do not support the two-bedroom Fair Market Rent. They include:

Figure 29: Occupational Average Wages

Occupation	Average Wage
Cashiers	$7.52
Home Health Aides	$8.66
Nursing Aides	$9.13
Pre-school Teachers	$9.75
Security Guards	$9.77
Pharmacy Technicians	$10.12
Cooks, Restaurants	$10.25
Office Clerks	$11.05

Current For-Sale Housing Market

Affordability of for-sale housing is estimated based on spending no more than 30 percent of a household's income on housing costs, including mortgage principal and interest, real estate taxes, and mortgage and hazard insurance. BAE's mortgage calculator calculates the maximum affordable sales prices based on a 10-percent downpayment, a 6.5-percent mortgage interest rate, and a 0.25-percent premium for private mortgage insurance. The following table provides a range of affordable sales prices by income for extremely-low-income, very-low-income, and low-income households. This table is also separated according to HUD's geographic breakdown for income limits for this area.

These maximum affordable sales prices are generally below those available in the current Consortium area market. According to the 2000 US Census, Henderson County had the highest median home value at $130,100, while Madison County had the lowest at $94,600. Recent 2004 single-family residential sales for Consortium jurisdictions revealed median sale prices of $170,000 for Buncombe, Henderson, and Transylvania counties, indicating that residential prices have risen rapidly (Table A-26a-f). These median sale prices are considerably greater than the maximum affordable sales price for low-income households in the Consortium.

Figure 30: Maximum Affordable Sales Prices in Consortium, 2004				
	Household Size			
Asheville Metropolitan Statistical Area	**1 person**	**2 persons**	**3 persons**	**4 persons**
Extremely Low Income (0% to 30%)	$38,156	$43,633	$48,927	$54,404
Very Low Income (31% to 50%)	$63,532	$72,660	$81,606	$90,374
Low Income (51% to 80%)	$101,688	$116,110	$130,715	$145,138
Henderson County				
Extremely Low Income (0% to 30%)	$40,529	$46,188	$52,030	$57,873
Very Low Income (31% to 50%)	$67,548	$77,042	$86,717	$96,393
Low Income (51% to 80%)	$107,895	$123,413	$138,748	$154,266
Transylvania County				
Extremely Low Income (0% to 30%)	$39,251	$44,911	$50,387	$56,047
Very Low Income (31% to 50%)	$65,358	$74,851	$84,162	$93,472
Low Income (51% to 80%)	$104,609	$119,579	$134,549	$149,519

Source: Bay Area Economics, 2004

The sales price index reported by the Office of Federal Housing Oversight (OFHEO) documents substantial price increases for Asheville MSA housing. Under HUD, OFHEO provides a repeat sales index, measuring the actual price change for individual houses. As each house is resold, OFHEO records the data, thus controlling for the differences in home characteristics that normally influence sales price. According to this index, home prices in the Asheville MSA have increased by 6.42 percent in the last 12 months and by an annual average rate of 6.25 percent over the last five years. This increase is much greater than that of North Carolina as a whole, where home sales prices rose by approximately 3.9 percent annually during the last five years, although not so high as the national rate of increase at 7.2 percent.

Among 2004 residential sales in the Consortium, 49.0 percent sold within a range of $100,000 to $199,999. Most of these homes had two to three bedrooms. Only 14.2 percent of Consortium residential sales were for less than $100,000. Madison County had the greatest percentage of homes selling for less than $100,000 at 22.7 percent. Homes in this lowest price range include “fixer-uppers” – homes requiring additional expenditure to make them safe and comfortable.

Tables A-27a-f shows 2004 for-sale residential prices by square footage. The most prevalent unit size for all prices ranged from 1,200 to 1,599 square feet. The majority of these homes were priced from $75,000 to $149,999, meaning the price per square foot of these homes ranged from $62.50 to $93.80. Most homes priced from $150,000 to $249,999 fell between 1,200 and 2,499 square foot ($100 to $125 per square foot).

Figure 31 presents the housing opportunities index (HOI), as provided by the National Association of Homebuilders and Wells Fargo, for major metropolitan areas within North Carolina. The housing opportunities index for a given area is defined as the share of homes sold in that area that would have been affordable to a family earning the median income. The data below compares statistics from the second quarter of 1999 and the third quarter of 2004. The Asheville MSA continued to have the lowest HOI and affordability ranking compared to other metropolitan areas in the state due largely to the aforementioned increase in home appreciation over the past five years. While the affordability ranking for Asheville MSA is accurate, assuming the same methodology was used for all MSAs, the survey appears to underestimate the 2004 median sales prices of homes, as recent sales from local realtor data indicate that current median sales prices are closer to $160,000.

Figure 31: Housing Opportunities Index for Asheville, NC and Nearby Metropolitan Areas

	2004 (3rd Quarter)				1999 (2nd Quarter)	
NC Metropolitan Areas	HOI	Median Family Income	Median Sales Price	Affordability Rank	HOI	Affordability Rank
Greensboro	79.1	$55,500	$130,000	28	75.3	77
Fayetteville	75.9	$46,900	$117,000	41	71.3	101
Raleigh	74.4	$69,800	$169,000	47	66.7	122
Charlotte	73.5	$61,800	$153,000	48	66.1	127
Asheville	67.0	$49,700	$148,000	72	61.1	144

Source: National Association of Home Builders/Wells Fargo; Bay Area Economics, 2004

Foreclosures

The North Carolina Administrative Office of the Courts keeps a database of recent home foreclosures within the state (Figure 31). These numbers exclude foreclosed mobile homes, which are tallied by the Department of Motor Vehicles as chattel loan repossession; these data could not be obtained. The Consortium as a whole has seen a steady rise in the number of home foreclosures since 1998. In the six-year period from 1998 to 2003, the number of annual home foreclosures more than doubled. The first quarter of 2004 for the Consortium already reflects 68 percent of the total number of foreclosures for 2003, indicating a continual rise in annual numbers for the Consortium. These recent increases in residential foreclosures can be attributed partially to the very sizeable presence of subprime lenders throughout the state, who have issued a high number of subprime loans to households at varied income levels (see *Subprime Lending* below). The economic hardships (i.e., plant closings and permanent layoffs) suffered by this region may have also contributed to the higher incidence of foreclosures since the turn of the century. Individually, Henderson County had the highest percentage growth in the six-year period for home foreclosures. Buncombe County, despite having the highest annual totals, saw the smallest increase comparatively.

Figure 32: Annual Foreclosures by County

Year	Consortium	Buncombe County	Henderson County	Madison County	Transylvania County
1998	408	275	87	20	26
1999	528	338	132	25	33
2000	596	405	123	23	45
2001	770	497	179	40	54
2002	1,049	656	261	44	88
2003	1,132	685	304	59	84
Percent Change (1998-2003)	177%	149%	249%	195%	223%
2004*	771	487	195	43	46

*Year 2004 represents only totals of the first quarter.

Subprime Lending

According to a 2002 report from the Center for Responsible Lending[6], North Carolina has had a thriving subprime home lending market. In 2000, the Home Mortgage Disclosure Act (HMDA) database showed that the state's home loan borrowers were 20 percent more likely than borrowers elsewhere in the nation to receive a subprime loan. North Carolina also had 15 percent more subprime home loans per capita than the rest of the nation in 2000. Specifically, the 2003 HMDA database reveals 69 subprime lenders located in the Consortium area that have originated over 2,400 loans totaling more than $240 million. A list of these lenders by county is shown in Tables A-28a-d. Furthermore, it was reported that North Carolina borrowers with annual incomes of less than $25,000 received a higher proportion of subprime to prime loans than borrowers with the same income range in any other state (Figure 33).

Figure 33: North Carolina Subprime Lending to Low-Income Borrowers (Annual Income Less Than $25,000), 1998-2000

Year	Percent of all Home Loans	N.C. Rank (out of 50 States and DC)
1998	26.2	3
1999	33.5	2
2000	32.9	1

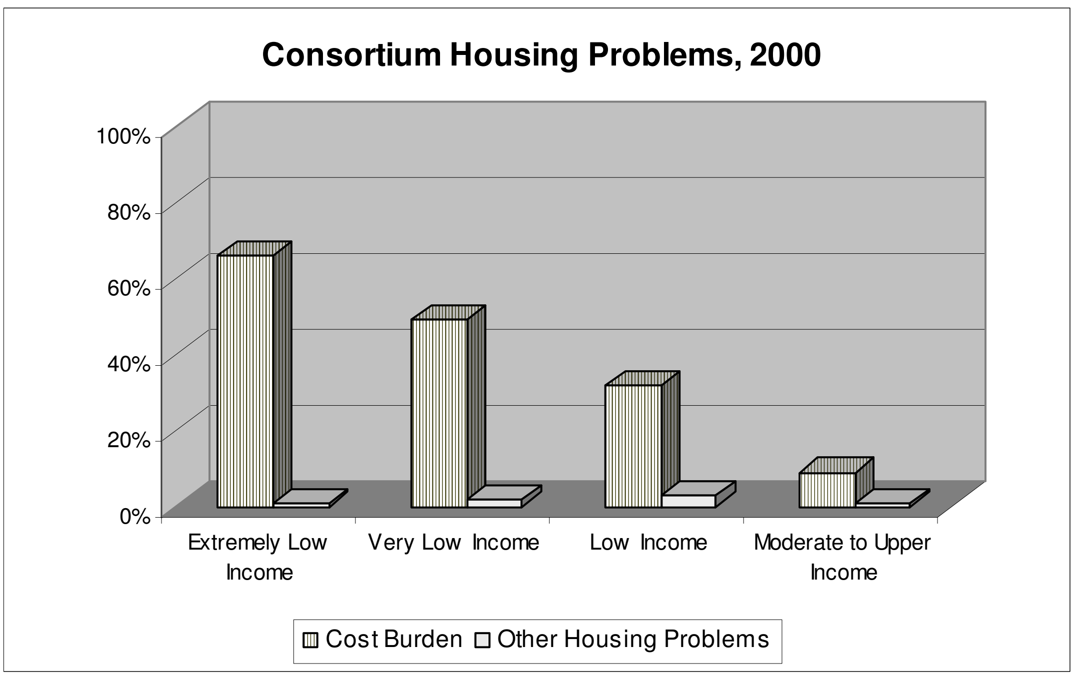
Source: Home Mortgage Disclosure Act data, Randall M. Scheessele, "Manufactured Home and Subprime Lender List", HUD 2001; Bay Area Economics, 2004

[6] Ernst, Keith, John Farris & Eric Stein. North Carolina's Subprime Home Loan Market After Predatory Lending Reform. August 13,2002.

III. Housing Assistance Needs

HUD defines a household in need of housing assistance as any household with one or more of the following housing problems: spending in excess of 30 percent of household income on housing, living with more than one person per room, or occupying a unit with physical defects (e.g., lacking complete kitchen or bathroom facilities).

In the Consortium, there are 35,859 households with housing problems, which accounts for 25 percent of total households. Asheville has the highest percentage among all jurisdictions with 31 percent. It should be noted that Asheville had the second highest percentage, next to Madison County, of households making less than $15,000 at 21.3 percent and of those making less than median income at 50.0 percent (Table A-7). However, the fact that Asheville comes in first for housing problems points towards more serious affordability issues here than other jurisdictions. Tables A-25a-f details the region's housing problems by income level and jurisdiction.



Source: Comprehensive Housing Affordability Strategy Databook; Bay Area Economics, 2004.

The scope of these housing problems varies proportionately with the level of household income. As the household income decreases, the degree of housing problems increases. Extremely-low-income households are more than twice as likely to have housing problems compared to low-income households, as evident in the chart above.

The chart above reveals that the vast majority of all the housing problems among Consortium households are cost burdens. Housing problems other than cost burdens peaked at only 3 percent among all households, depending on income level. A closer review of housing problems and cost burdens by income level follows.

Extremely-Low-Income Families (ELI)

Extremely-low-income families are households earning less than 30 percent of the AMI, adjusted by household size. For example, a four-person ELI household in the Asheville MSA earns less than $14,900 annually (less than $15,850 or $15,350 for Henderson and Transylvania counties, respectively).

Over two-thirds of all ELI households had housing problems, including 66 percent spending more than 30 percent of their income for housing and 49 percent spending in excess of 50 percent. A similar pattern occurs for both renters and owners in this group.

Very-Low-Income Families (VLI)

Very-low-income families earn between 31 to 50 percent of the AMI. For four persons, this is between $14,901 and $24,850 annually in the Asheville MSA ($15,851 to $26,400 for Henderson County and $15,351 to $25,600 for Transylvania County).

Half of all VLI households had housing problems. Forty-nine percent spent more than 30 percent of their income on housing, including 23 percent who spent more than 50 percent. Renter households showed a larger percentage of those with housing problems at 64 percent, including 79 percent of large family renter households (five or more related persons) having some sort of housing problem. Overall, however, the percentage of housing problems improved from the previous income level.

Low-Income Families

Low-income families (51 to 80 percent of the AMI) of four persons earn between $24,851 and $39,750 annually in the Asheville MSA ($26,401 to $42,250 for Henderson County and $25,601 to $40,950 for Transylvania County).

In 2000, approximately one-third of all low-income households had housing problems. Thirty-two percent spent more than 30 percent of their income on housing, including 9 percent who were severely cost burdened. Renters and owners alike showed similar patterns, except in the percentage of total owner households with severe cost burdens (12 percent), which was four times that of total renter households at 3 percent. The large-family, low-income renter households are most likely to have housing problems other than cost: 60 percent of them have housing problems but only 16 percent are cost burdened – presumably overcrowding is the main problem for this group and persists even into the income group with over 80 percent of AMI.

Elderly Households

Throughout the Consortium, the elderly population is less likely to have housing problems than other households, except for the low-income group (50-80 percent of AMI) where the problems for elderly renters are similar to or slightly higher than other renters. As with other households, those with the lowest incomes have the greatest housing problems. Accordingly, among extremely-low-income elderly, 53 percent of renters and 66 percent of owners have housing problems. The majority of housing problems for both tenures are cost burdens at 52 percent for renters and 65 percent for owners. For other income levels, elderly renter households had a greater percentage of those with housing problems than did owners.

There are a number of reasons for these elderly household patterns. Elderly households as a whole typically have lower incomes and smaller households than non-elderly households, and pay a higher share of their income on housing. While elderly homeowners often have paid their mortgages in full, they still bear the burden of utilities and home maintenance costs. In many instances, these households have more square footage than is necessary for their lifestyles, but do not downgrade to smaller units for various reasons. They are also very susceptible to predatory lenders charging higher-than-average interest rates for conventional home purchases or secondary mortgages.

IV. Minority Housing Needs

Housing needs vary significantly by race and ethnicity in the Consortium area. Section 1 of this report discussed income level by ethnic background, noting certain groups in the Consortium that were disproportionately impacted. Specifically, these included low-to-moderate income African-American, Hispanic, and Native American households with incomes significantly below those of White households. This section explores trends in minority homeownership rates and housing problems from 1990 to 2000 to identify needs and target appropriate assistance.

Homeownership

Though minority homeowners increased by 6,133 in number from 1990 to 2000, homeownership rates dropped substantially among minority households (see Figure 35). **Among non-White households, the homeownership rate fell from 58.2 percent in 1990 to 44.9 percent in 2000 for the Consortium.** The decline was most pronounced among African-American households. From 3,073 in 1990, African-American homeowners increased in number to 3,230 in 2000. However, the faster increase in the number of African-American renter households overwhelmed that increase, causing the homeownership rate to fall from 58.7 to 45.8 percent during the 1990s. The most dramatic decrease in African-American homeownership occurred in Madison and Transylvania Counties with drops of 20.0 and 17.6 percentage points, respectively. Asian or Pacific Islander households as well as Native American households managed to slightly increase their homeownership rates as a whole from 1990 to 2000. Overall, **the data shows a consistent and substantial disparity between minority and White homeownership rates with minority households losing ground.** These disparities are likely compounded by the lower incomes of minority households.

As of 2000, there were 2,019 minority renter households making above 50 percent of AMI that do not have housing problems. By ethnicity, this includes 156 Asian renter households, 84 Native American renter households, 1,228 African-American renter households, and 551 Hispanic renter households. **These households are strong candidates for first-time homeowner incentives and programs; they should be targeted for increasing minority homeownership within the Consortium.**

Figure 35: Homeownership Rates by Ethnicity, 1990 & 2000												
	Asheville		**Buncombe County**		**Henderson County**		**Madison County**		**Transylvania County**		**Consortium**	
	1990	**2000**	**1990**	**2000**	**1990**	**2000**	**1990**	**2000**	**1990**	**2000**	**1990**	**2000**
White Households	22,219	24,959	65,174	77,941	27,681	35,330	6,458	7,855	9,553	11,776	**108,866**	**132,902**
% who are homeowners	59.4	60.6	72.3	72.9	77.6	80.5	78.0	76.9	79.3	80.3	**74.6**	**75.8**
Non-White Households	4,778	6,477	5,628	9,192	1,028	3,206	30	197	371	583	**7,045**	**13,178**
% who are homeowners	45.0	36.8	47.6	41.0	52.3	46.7	36.7	48.2	67.9	62.3	**58.2**	**44.9**
African-American Households	4,571	4,777	5,143	5,732	805	897	19	27	341	398	**6,308**	**7,054**
% who are homeowners	43.4	39.3	46.9	44.3	51.1	52.2	57.9	37.0	70.4	52.8	**58.7**	**45.8**
Hispanic Households	N/A	708	N/A	1,342	N/A	1,122	N/A	52	N/A	39	N/A	**2,555**
% who are homeowners	N/A	28.0	N/A	35.9	N/A	40.6	N/A	59.6	N/A	79.5	N/A	**39.1**
Asian or Pacific Islander Households	118	227	232	449	79	122	8	44	9	15	**328**	**680**
% who are homeowners	54.2	35.2	56.9	44.0	48.1	74.6	0.0	59.1	0.0	100.0	**51.9**	**57.9**
Native American Households	66	98	200	239	53	153	3	1	17	43	**261**	**436**
% who are homeowners	15.2	39.8	60.0	59.0	58.5	59.5	0.0	100.0	70.6	83.7	**57.9**	**61.7**
Other Race Households	23	253	53	553	91	511	0	11	4	12	**148**	**1,087**
% who are homeowners	30.4	16.6	30.2	26.2	65.9	44.0	0.0	18.2	0.0	50.0	**51.4**	**34.8**
Households of Two or more Races	N/A	414	N/A	812	N/A	401	N/A	62	N/A	76	N/A	**1,351**
% who are homeowners	N/A	10.1	N/A	45.0	N/A	41.9	N/A	66.1	N/A	85.5	N/A	**47.3**

Source: US Census 1990 & 2000; Bay Area Economics, 2004.

Home Mortgage Lending to Minority Borrowers

Figure 36 presents the number of loans approved for minority homebuyers in the Asheville MSA in 2003, as compared to the MSA's minority population. African-Americans received 1.70 percent of total mortgage loans: **about one-quarter what their population would indicate**.

Hispanic and Asian/Pacific Islanders received mortgage loans roughly in proportion to their numbers.

Figure 36: Minority Borrowers: Home Purchase Mortgages in Asheville MSA, 2003

Borrower Race/Ethnicity	Number of Loans Approved	No. of Loans as % of Total	Population in MSA*	Percent of Total Population
Native	5	0.13%	798	0.35%
Asian/Pacific Islander	26	0.69%	1,475	0.65%
African-American	64	1.70%	15,470	6.85%
Hispanic	75	2.00%	5,996	2.65%
Other/Mixed	66	1.76%	2,501	1.11%
Total Minority	236	6.28%	26,240	11.61%
White	3,522	93.72%	199,725	88.39%
Total	**3,758**		**225,965**	

Note: Lending institutions not operating in any metropolitan area are excluded from HMDA data.

Source: Home Mortgage Disclosure Act 2003, US Census 2000; Bay Area Economics, 2004.

Housing Problems

Figure 37 reveals trends in housing problems by ethnicity from 1990 to 2000 for the Consortium region and individual jurisdictions. In 2000, one-quarter of the region's households had housing problems, a 13-percent increase since 1990. Trends indicate that minority households were disproportionately impacted in their housing problems over the ten-year period compared to White households. The percentage point differences are quite evident, with the shares of African-American and Hispanic households with housing problems 16.7 and 26.7 points higher respectively, than White households. **In particular, Hispanic households with housing problems jumped dramatically from 35.3 percent in 1990 to 50.3 percent in 2000.** This increase occurred primarily in Henderson County and is largely due to the enormous growth of this population in the past decade. However, the data also suggest that a significant portion of this in-migration consisted of families with lower incomes or in overcrowded or physically deteriorated housing. The share of Hispanic households with housing problems declined somewhat in Madison and Transylvania Counties during the 1990s, but the number of households was very small. Apart from Madison County, which saw a 19-percentage point increase in African-American households with housing problems, the Consortium experienced small increases in African-American households with housing problems. In 2000, two of five African-American households had housing problems, an increase of 651 burdened households.

Figure 37: Housing Problems by Ethnicity, 1990 & 2000												
	Asheville		**Buncombe County**		**Henderson County**		**Madison County**		**Transylvania County**		**Consortium**	
	1990	**2000**	**1990**	**2000**	**1990**	**2000**	**1990**	**2000**	**1990**	**2000**	**1990**	**2000**
Total Households	26,890	30,701	70,755	85,749	28,767	37,400	6,513	7,981	10,001	12,307	**116,036**	**143,437**
% with housing problems	28.8	30.7	23.4	27.0	20.3	22.9	21.2	22.8	20.9	20.1	**22.3**	**25.1**
White Households	21,926	24,590	64,753	77,260	27,652	34,790	6,466	7,810	9,548	11,749	**108,419**	**131,609**
% with housing problems	26.3	27.9	22.0	25.6	19.5	21.0	21.2	22.5	19.9	19.5	**26.4**	**23.6**
African-American Households	4,670	4,733	5,240	5,697	736	887	19	46	370	386	**6,365**	**7,016**
% with housing problems	39.9	42.3	38.7	40.4	39.4	41.8	15.8	34.8	37.6	35.0	**38.6**	**40.3**
Hispanic Households	134	709	360	1,330	232	1,122	18	54	49	41	**659**	**2,547**
% with housing problems	47.8	43.3	33.1	42.6	34.5	61.0	44.4	22.2	53.1	43.9	**35.3**	**50.3**
Asian or Pacific Islander Households*	N/A	209	N/A	476	N/A	114	N/A	40	N/A	15	N/A	**645**
% with housing problems	N/A	40.0	N/A	36.8	N/A	20.0	N/A	50.0	N/A	0.0	N/A	**33.8**
Native American Households	N/A	95	N/A	247	N/A	117	N/A	4	N/A	40	N/A	**408**
% with housing problems	N/A	40.0	N/A	25.1	N/A	35.0	N/A	0.0	N/A	40.0	N/A	**29.2**

*Note: Numbers of specific ethnic households may not be identical to previous table due to varying source data.

Source: Comprehensive Housing Affordability Strategy Databook; Bay Area Economics, 2004..

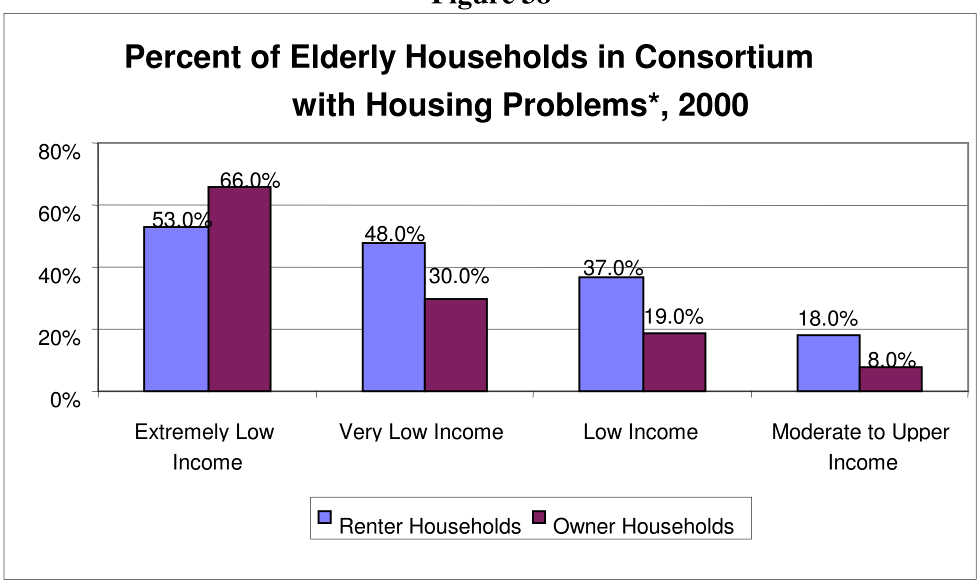
V. Special Needs Population

Special needs populations have particular housing needs, including elderly, frail elderly, and persons with sever mental and physical disabilities. Households may have one or more persons with these special housing needs.

Elderly

This population includes those persons 65 years of age or older, with incomes of up to 80 percent of AMI, spending more than half of their incomes on housing (see Table A-25a). As Figure 35 indicates, those elderly households with extremely-low-income (less than 30 percent of the AMI) experienced the highest percentage of housing problems regardless of tenure. There is an exceptional differential among elderly owners with housing problems as income shifts to very-low-income, marking much more serious cost burdens in the lowest income group. All jurisdictions show similar patterns. Buncombe County and Asheville lead the Consortium with almost three-fourths of extremely-low-income elderly owner households having some kind of housing problem. There was a steady decline in the percent of elderly renter households with housing problems as incomes increased. Henderson County is one exception, however, with 59 percent of its very-low-income elderly renter households having housing problems, an increase of four percentage points compared to extremely-low-income elderly renter households. See Table A-29 for a more condensed version of elderly residents with housing problems.

Figure 38



*Defined as cost burdens, overcrowding, or physical defects

Frail Elderly

Frail elderly is defined as those individuals 65 years of age or older with two or more "personal care limitations". These are physical or mental disabilities that substantially limit one or more basic physical activities such as walking, climbing stairs, reaching, lifting, or carrying. Frail elderly often require some type of supportive living arrangement such as an assisted living community, skilled nursing facility, or an independent living situation with in-home health care. In the Consortium, there are 4,608 frail elderly residents, which is 7.6 percent of the elderly population. Not all frail elderly persons require specialized housing; some receive care in their homes from their spouses or children.

There are various adult care homes, nursing homes, and family care homes throughout the Consortium. Buncombe County has 118 adult care homes, family care homes, and nursing homes with a combined maximum capacity of 3,437 beds. Approximately 154 of these beds serve the developmentally disabled and are included in the total bed count for mental health facilities in the next section. Henderson County has 13 assisted living homes and one family care home for senior citizens, encompassing 431 beds. Madison County has one adult care facility with 69 assisted units. Transylvania County has eight properties with the maximum capacity of 368 individuals. The total number of beds in the Consortium for adult care, not including those serving the developmentally disabled in Buncombe County, is 4,151 (see Tables A-30a-d).

The private sector is responding to the needs of frail elderly persons with sufficient income or assets. **However, the growing number of frail elderly with low incomes find it much more difficult to afford assistance. Public housing authorities are facing issues in supporting elderly residents who need daily assistance.**

Persons with Disabilities

The 2000 U.S. Census presents an array of data on those with sensory, physical, mental, self-care, go-outside-home, and employment disabilities. North Carolina shows almost 2.8 million individuals having one of these disabilities, of whom about 1.1 million have either mental or physical impediments. The total number of the Consortium's mentally and physically disabled population is 51,040 individuals (15 percent of the Consortium's total population). The subsections below look deeper into these two types of disabilities to examine whether specialty housing is warranted for this special needs population.

Persons with Physical Disabilities

The Census defines persons with physical disabilities as those with a condition that substantially limits one or more basic physical activities such as walking, climbing stairs, reaching, lifting, or carrying. This definition encompasses a much wider spectrum of people than just those in wheelchairs or in need of a mobility device for support. It also includes those with sensory or respiratory disabilities that impair short-term or long-term mobility. The definition even includes those who require assistance with dressing or eating. According to the 2003 Behavioral Risk Survey from the North Carolina State Center for Health Statistics, approximately ten percent of Western North Carolina respondents reported using special equipment to assist their physical disability. Based on this survey and previous national trends, BAE estimates that one-tenth of persons reporting physical disabilities require wheelchairs in order to be mobile and therefore need wheelchair accessible housing.

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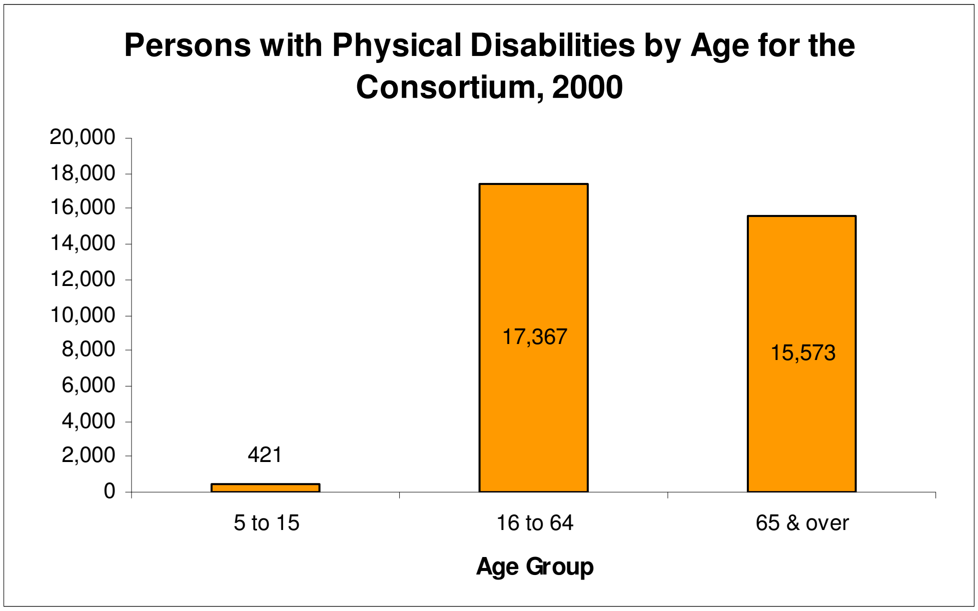
Figure 39



Source: US Census 2000; Bay Area Economics, 2004

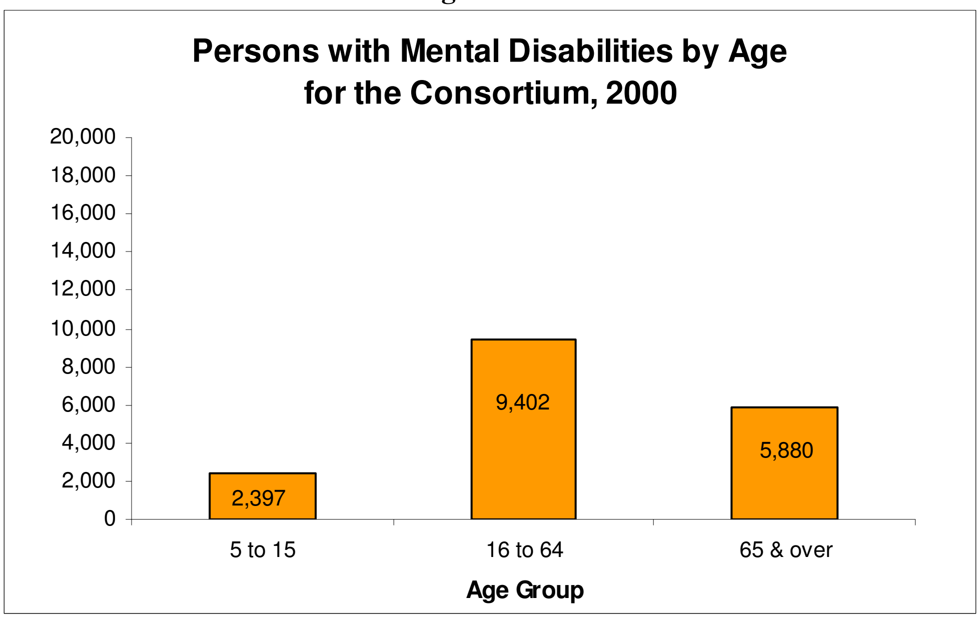
Table A-30 provides 2000 U.S. Census data on persons with physical disabilities by age for all jurisdictions. The Consortium includes 33,361 disabled individuals (10 percent of the entire Consortium population). We therefore estimate that about 3,300 persons in the Consortium – one percent of the population – use wheelchairs.

Earlier in this report (see *Income Distribution by Jurisdiction*), it was revealed that 39 percent of the region's households have incomes of 80 percent of AMI or less. This percentage is likely to be very much higher among persons with physical disabilities due to the limitations such disabilities put on securing employment. The region's 3,300 non-institutionalized residents who need accessible housing are estimated to live in 3,000 households, assuming 1.1 disabled persons per disabled household. BAE estimates that 65 percent of the Consortium's households with persons who have physical disabilities live in renter households with incomes of less than 80 percent of the AMI. **This means that at least 2,000 affordable rental units that have wheelchair accessibility are needed**.

There is no good data on the number of such units existing. In practice the need for accessible units is far greater than 2,000 units. First, it is likely that at any time people without a disability will occupy a proportion of accessible units. Second, without a larger pool of accessible units the chance of finding a suitable vacant unit becomes extremely small. Finally, people who use wheelchairs also need access to the homes of friends and relatives. There is a great need for more "visitable" housing, having an at-grade entrance, first floor doorways and passages at least 30 inches wide, and a wheelchair-accessible bathroom on the first floor. Traditional housing styles and problems of sloping terrain pose particular barriers to accessibility and visitability in this region.

Persons with Mental Disabilities
The U.S. Census defines persons with mental disabilities as those with a condition that substantially limits one or more basic mental activities such as learning, remembering, and concentrating. This definition is quite broad, encompassing all types of individuals with varying degrees of mental ability. Table A-31 provides data on persons with mental disabilities by age for all jurisdictions. There are a total of 17,679 persons with mental disabilities, representing 5 percent of the population. Those aged 16 to 64 years again made up the majority in the Consortium at 53 percent. However, unlike those physically disabled, those mentally disabled aged 65 years of age or older comprised a comparatively smaller 33 percent.

Figure 40



Source: US Census 2000; Bay Area Economics, 2004

In 2002, the Blue Ridge Center for Mental Health, Developmental Disabilities, and Substance Abuse conducted a census of 1,011 adult clients with severe and persistent mental illness (SPMI) in its Community Support Program for Buncombe County. This number constitutes 10.8 percent of the 9,359 persons with mental disabilities over 16 years of age in Buncombe County. Applying this same percentage to the adult mentally disabled populations of the remaining Consortium counties, the total need is conservatively estimated at 1,651 persons with SPMI. In addition, another 200 chronically homeless individuals are known to have severe and persistent mental illness. This number includes those living alone, in adult care homes, or with family or friends, who are potential candidates for supportive housing, but does not include people with developmental disabilities severe enough to require supportive housing.

Figure 41: Housing Needs and Supply for People with Severe, Persistent Mental Illness (SPMI)					
	Buncombe County	Henderson County	Madison County	Transylvania County	Consortium
Estimated Persons with SPMI	1,211	395	92	153	1,851
Number Needing Assistance	534	130	31	51	746
Current Supply of Beds*	323	163	0	0	486
Source: North Carolina Department of Health and Human Services					

*Note: These numbers represent the number of mental health beds not including those reserved for developmentally disabled.

The current number of living quarters for those with mental disabilities in the Consortium does not nearly meet the need for such facilities. Buncombe County has a total of 72 mental health facilities with approximately 473 beds. Twenty-six of these facilities consisting of 150 beds offer supervised living for the developmentally disabled. Additionally, twenty of the adult care and family care homes aforementioned for Buncombe County serve the developmentally disabled and have a total of 154 beds. Henderson County has 26 mental health facilities and family care homes totaling 163 beds. It is unknown whether any of these facilities serve the developmentally disabled. Madison County has eight family care homes in Hot Springs and Mars Hill that have a total maximum capacity of 48 beds serving the developmentally delayed. Transylvania County has four group homes that serve the developmentally delayed, holding a maximum of 24 residents. There is a waiting list for these four homes. Hence, the sum of known facilities for mental health in the Consortium is 862 beds.

Persons With Developmental Disabilities
We estimate that 2 percent of the population have a developmental disability (mental handicap). Based on past trends, we estimate that 15 percent of the developmentally disabled have a need for housing in the Consortium region. Figure 42 summarizes the unmet housing needs for persons with developmental disabilities.

Figure 42: Housing Needs for the Developmentally Disabled					
	Buncombe County	Henderson County	Madison County	Transylvania County	Consortium
Population, 2000	206,330	89,173	19,635	29,334	344,472
Estimated Persons with Developmental Disabilities	4,127	1,783	393	587	6,890
Number Needing Assistance	619	267	59	88	1,033
Source: North Carolina Department of Health and Human Services					

A current count of persons with developmental disabilities receiving housing and services could not be obtained.

Figure 43 gives the known housing supply for the developmentally disabled. Note that data were not available for Henderson County facilities. The total supply for the Consortium is probably understated. Regardless, the demand outweighs the current supply by about 650 persons.

Figure 43: Housing Supply for the Developmentally Disabled					
	Buncombe County	Henderson County	Madison County	Transylvania County	Consortium
Adult Care Homes	50	N/A	0	0	50
Family Care Homes	104	N/A	48	0	152
Adult Mental Health Facilities	150	N/A	0	0	150
Group Homes	0	N/A	0	24	24
Total	**304**	**N/A**	**48**	**24**	**376**
Source: North Carolina Department of Health and Human Services					

Persons with Alcohol or Substance Abuse Addictions

Individuals with chemical dependencies are often unable to maintain permanent housing. Without supportive services to help them beat their addictions, many are at risk of becoming homeless.

The 2002 National Survey on Drug Use and Health conducted by the Federal Substance Abuse and Mental Health Services Administration (SAMHSA) provided data that 2.85 percent of North Carolinians aged 12 or over needed but were not receiving treatment for illicit drug use during the previous year. Illicit drugs included marijuana/hashish, cocaine (including crack) inhalants, hallucinogens, heroin or prescription-type psychotherapeutics (non-medical use). Applying this percentage to the Consortium area population would imply 10,200 individuals needing but not receiving treatment for illicit drug use. Not all of these individuals are homeless, but a large percentage would benefit from supportive housing.

Also reported was the 6.87 percent of North Carolinians who needed but did not receive treatment for alcohol use in the previous year. Assuming that the percentage applies to the Consortium area, this implies that as many as 24,700 Consortium area residents need treatment for alcohol abuse. Many of these individuals are able to maintain a job and a home or live with someone who does. The region has roughly 100 homeless persons known to have substance abuse problems but not severe and persistent mental illness. We estimate that roughly 300 persons needing either alcohol or drug treatment have housing needs.

There is a particular need for housing with supportive services for persons recovering from substance abuse. First Step Farm, a rehabilitation center in Candler, attracts patients from around the state. When these individuals complete their rehabilitation treatment, they are urged not to return to their former homes and neighborhoods, so as to avoid the people and influences that initially led them to substance abuse. For many, this means seeking assisted housing in the Consortium area, straining the existing supplies of affordable housing units and supportive services.

VI. Five-Year Projections

The earlier section on "*Population and Households*" discussed projections through 2009. Neither population nor households are projected to grow as rapidly as in the previous decade. The Consortium population and households are expected to increase by 4.8 percent and 5.1 percent, respectively, from 2004 to 2009. This growth translates into approximately 8,400 new households that will require housing in the region by 2009. Henderson County is projected to lead all counties in five-year growth in both population and households at over 7 percent. About 3,000 households are expected to move into this county in the next five years and will require housing. These data are taken from Claritas, Inc., a national private-data provider. Additionally, average household size is expected to continue decreasing over the next five years to 2.29 persons.

The income projections provided by Claritas, Inc. show an increase in median income of 10.1 percent over the next five years, with decreases in the numbers and percentage of households in all income brackets below $35,000, and increases above that income level (Table A-7). Much of this increase in income will likely be due to inflation instead of real income growth. Once again, Henderson County is expected to have the highest median household income at $45,518 in 2009. Buncombe and Transylvania counties will be close with $43,736 and $43,298 respectively. Asheville and Madison County's median incomes are projected to remain the lowest, at $38,835 and $38,159, respectively, but **Madison County's rate of growth in median income will be the fastest in the Consortium at 13 percent, reducing the gap with the other counties**. Henderson, Buncombe, and Transylvania counties are projected to achieve the highest percentages of those making $50,000 or above at 44, 43, and 42 percent, respectively, which is an increase of four percentage points per county from 2004. This will primarily be due to the continued interest of wealthy retirees who want to settle in this region and have the purchasing power to buy homes. Madison County and Asheville will still have the greatest percentage of households making less than $15,000 in 2009. The small decrease in the lower income groups across the Consortium will not significantly reduce the housing needs of extremely-low- and very-low-income households. Would-be homeowners in the low- and moderate-income groups are also likely to find house prices continuing to outstrip their growth in income. **Housing affordability will therefore remain an issue for all below-median income groups in the Consortium.**

VII. Housing Issues and Gaps

Barriers to Affordable Housing

Topography
Much of the Consortium region consists of mountainous terrain that is not ideal for residential development. There is a direct correlation between the slope of the land and the cost to build on it. Special designs and construction techniques must be used on slopes to ensure the stability of residential structures and the land itself. Also, utility and road construction costs more in such settings. Much of the Consortium's existing sewer and water lines are located within city or town limits, leaving outside areas to be served by septic tanks that require at least three-quarters of an acre of land per residential structure. Special drain field designs are required for slopes above 10 percent. Level ground for suitable development commands a price premium due to the limited supply. These considerations are among the main reasons for the high housing and land prices in this region that severely hinder affordable housing opportunities.

Lack of Available Land in Asheville
The small amount of residential growth since 1990 in Asheville as compared to the rest of Buncombe County reflects the fact that buildable land is particularly scarce within Asheville. This shortage has led to inflated land prices, as demand exceeds supply.

Residential density in Asheville has actually been decreasing for many years, as substandard multifamily housing in the inner city has been demolished for roads, commercial development, and urban renewal, and as the City has annexed suburban neighborhoods. Asheville's population density decreased by 15 percent between 1980 and 2000 to less than 2.5 people per acre. The City's current "smart growth" policies encourage much denser development through infill and adaptive re-use of vacant and underutilized properties. The City's integrated land-use and transportation strategies are set out in detail in the City Development Plan 2025. **If implemented, these strategies could greatly expand the number of housing units within the City**, but they will face opposition from existing homeowners impacted by development.

Rise in Rents & Sales Prices
The turn of the century saw a distinct boom in the residential construction and home improvement markets throughout the nation fueled in part by historically low mortgage interest rates. As demand grew, so did the cost of materials, labor, and construction. Thus, home sales prices saw a dramatic increase in the Asheville MSA as indicated by Office of Federal Housing Oversight (see *For-Sale Housing* section). The large influx of retirees and pre-retirees with great purchasing power for second homes and condominiums increases demand and price competition, further compounding the trend to higher housing prices. These factors create a significant disparity between market-rate sales prices/rents and affordable sales prices/rents (see *Housing Market* section). **In such a thriving market, it can be very difficult to entice the private sector to build affordable units, regardless of public incentives.**

Limited/No Multifamily Construction
There was minimal construction of multifamily rental housing within Transylvania and Madison counties from 2000 to 2004, and relatively little in Henderson County (see *Current Rental Market*

section). The number of multifamily units in the Consortium, especially in the aforementioned counties, is quite limited. The most common alternative to single-family housing has been mobile homes, which depreciate in value unless placed onto a permanent foundation on owned property. For low-income residents who want to be self-sufficient, there is no real affordable option outside of mobile homes and the very limited supply of subsidized single-family homes built by non-profit agencies such as Habitat for Humanity. Consequently, the region needs some form of high-density housing as an alternative to market-rate single-family housing.

A possible opportunity for alternative residential development within the Consortium is to implement a Small House Series[7] similar to that of Bluffton, South Carolina. This program employs designs of homes ranging from 1,200 to 2,200 square feet that have been previously approved by the necessary commissions and county inspections department. Combining grants from local banks and community development corporations, the series can compete with monthly payments of mobile homes of similar size and offer equity growth opportunities to the owner instead of property depreciation. A modification of this series to include multifamily homeowner designs may prove to work in the Consortium.

Neighborhood Opposition to High-Density Housing
The region has seen strong opposition to high-density development over the years. Fear of such development adversely affecting property values, along with higher concentrations of people bringing more noise and traffic to quiet neighborhoods, are among the biggest reasons for the opposition. Existing homeowners have benefited, not suffered, from the rapid increase in house prices. In addition, a changing neighborhood character is a concern for the seasonal homeowner who selected and purchased his/her property based on such things as privacy, generous open space, or scenic vistas. The Consortium faces a challenge in convincing existing residents as to the benefits and necessity for high-density development.

Predatory Lending
As stated previously in the *Subprime Lending* section of this report, subprime lending is very prevalent in North Carolina as a whole. The Consortium has an extensive number of major subprime lenders located throughout the four-county region, who have originated over 2,400 loans totaling more than $240 million. As North Carolina continues to outrank other states in the percent of home loans to those with annual incomes of less than $25,000, it is suspected that many of the Consortium's subprime lenders target this population. These predatory lending practices present real hindrances to the homeownership market as overextended residents pay extraordinary interest rates and/or ultimately lose their homes through foreclosure. Such circumstances can ruin borrowers' credit histories and reduce their potential for financial stability.

According to the Home Mortgage Disclosure Act (HMDA) database, credit history is the biggest reason for denial of applications for conventional home-purchase loans in the Asheville MSA. Thirty percent (1,242) of a total 4,183 conventional home-purchase loans were denied in 2003 for the Asheville MSA. Approximately five percent (667) of these denials were for households

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[7]Bluffton Historic Small House Series. Town of Bluffton Planning Department: <http://www.blufftonplanning.org/BLUFFTONPLANNING-WWW/projects.html>

earning less than 80 percent of the MSA median ($49,700). Slightly less than half were denied conventional home-purchase loans due to their credit history.

In an effort to combat such detrimental lending practices, the state has enacted the nation's first predatory lending law on home-purchase loans in 1999. This law has actively pursued the enhancement of consumer protection against loan flipping, exorbitant fees, financed single-premium credit insurance, and prepayment penalties. In an evaluation of North Carolina's predatory lending before and after the enactment of the law and taking into account changes in 2000 subprime volume, it is estimated that the law has saved North Carolina homeowners at least $100 million in 2000[8]. The HMDA database also revealed that the state's subprime market production dropped 24.3 percent, compared to 15.3 percent in the rest of the nation during the first full year of reform. Locally, the Consortium governments offer a number of homeownership assistance programs such as downpayment assistance and below-market interest rates for first-time homebuyers. The continued success of the subprime lending reform law coupled with promotion of various homeownership assistance programs can greatly curtail the negative effects of predatory lending and provide substantial rewards for affordable markets.

Gap Housing Production Analysis

Inadequate Public Housing Supply

There is a definite gap between the Consortium's current public housing demand and supply. A total of 5,085 individuals live in the Consortium's 2,278 public housing units. Approximately 573 households (about 1,200 individuals assuming an average household size of 2.1 persons) are on the public housing waiting lists with units needs including handicapped accessibility, single level units, or multiple bedrooms. Although an average of 516 public housing units in the Consortium turn over annually, the newly available units rarely match the waiting list demand. Thus, the number of households on the waiting list grows (when not closed to new applicants) at a much faster rate than the number of available units.

Insufficient Assisted Housing Supply

The Consortium has a total of 1,239 Low-Income Housing Tax Credit (LIHTC) units, and 875 Section 8 Housing units that have not expired or will remain affordable. This sum of 2,151 subsidized housing units includes 278 Section 8 units scheduled to expire in the next five years. The Consortium also has 2,086 Section 8 Vouchers, but still has 2,326 applicants on the waiting list. Thus, the Consortium needs more than twice as many Section 8 vouchers to adequately support those in need of housing assistance. In Buncombe County, 85 percent of Section 8 voucher holders have incomes below 30 percent of area median income. For these households not only are market rate units unaffordable, but also most LIHTC units. For such households, a voucher, a project-based Section 8 unit, or a public housing unit is almost their only route to decent, affordable housing. However, there is a final barrier for voucher holders: that is, finding an available unit that will accept Section 8. Most PHA's in the Consortium report a significant failure rate at this point, because Fair Market Rents (even with an enhanced payment standard) are not adequate to ensure that tenants will find available rental units at acceptable rent levels.

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[8] Ibid.

Limited Housing Alternatives to Mobile Homes
According to the 2000 US Census, the Consortium had 4,171 single-family attached units and 19,636 multifamily units (12.1 percent of total housing units). More than one-half of the Consortium's multifamily units are located in Asheville, with Madison and Transylvania counties carrying the smallest percentages at 4.9 and 6.2 percent, respectively. Typically, duplexes and townhouses are less expensive than single-family detached housing. Currently, 19.8 percent (32,046 units) of the Consortium's housing stock is mobile homes. There is a potential demand by this population to purchase affordable housing other than mobile homes, which provides the opportunity for increasing equity. The Consortium should examine the potential of developing more townhouse and multifamily (condominium) ownership housing.

Low-Income Renter Housing
Roughly one-third (13,000) of renter households have housing problems with 12,080 of those households earning less than 80 percent of AMI. Only 2,707 multifamily units have been permitted in the Consortium since 2000, not including Madison and Transylvania counties. Only 547 permitted units, or 20 percent, are assisted units. Hence, about 11,580 low-income rental units are still needed.

Low-Income Owner Housing
With the majority of building permits since 2000 reflecting single-family housing construction coupled with evidence that 49 percent of recent 2004 homes sales range from $100,000 to $199,999, there is a definite deficiency of housing affordable to low-income owner households. Of the houses sold in 2004, only 14.2 percent sold for under $100,000, which probably included a significant number of older, substandard units. It is now rare to see a <u>new</u> unit offered below $120,000, except for one-bedroom condominiums. Of the 22,176 households (21 percent) with housing problems in the Consortium, about 8,700 households earn at or below 50 percent of AMI and are not able to afford homes of more than $100,000. Approximately 4,000 of these households are elderly. Accordingly, about 7,880 homes priced under $100,000 are still needed. The current market, however, does not support the construction of homes priced under $100,000, aside from housing provided by Habitat for Humanity or other non-profit groups using donated labor and materials. Additional affordable rental housing or manufactured units may be the best and most effective solution for this particular housing need.

The inclusion of low-income households (those earning 51 to 80 percent of AMI) adds about 6,100 more households in need of affordable housing. The maximum affordable sales price of this income group is about $125,000 for a family of four persons. With median home prices currently at $170,000 for three out of four counties in the Consortium, there is a definite need for affordable housing for this income group, and moderate levels of development subsidy or downpayment assistance, coupled with incentives for private-sector developers, can be used to achieve it.

Special Needs Housing
As stated previously in the Special Needs section of this report, an estimated 3,000 households with incomes of up to 80 percent of AMI require wheelchair accessible housing; the majority needs rental units. The current supply of wheelchair-accessible housing within the Consortium area is unknown. Additionally, an estimated 1,655 persons with severe and persistent mental

illness and an unknown number of persons with severe developmental disabilities are candidates for permanent supported housing. The Consortium area has a total capacity of 708 beds for mentally health patients with 222 beds directly serving developmentally disabled patients. It is unknown how many of these beds are currently available, but the supply fails to meet the estimated demand.

Elderly
There are approximately 7,695 elderly households with incomes at or below 80 percent of the AMI that have housing problems. This means that elderly households require 28.6 percent of the 26,880 affordable units needed for the Consortium area. Among this population, currently 2,225 are renters and the remaining 5,470 are owners. There are approximately 8 LIHTC properties totaling 391 units that are designated for the elderly, including 299 units built after 2000 and 183 units currently under construction or renovation. In addition, the owner sector of this population often needs single-level housing with small yards to facilitate mobility and property maintenance. A small house series like the one aforementioned in *Barriers to Affordable Housing* could work very well for this population.

Appendix A:
Demographic and Other Report Tables

Appendix B:
Maps of Minority Concentrations